

NYS Urban Development Corporation Directors' Meeting

Thursday, 2/16/2023

9:30 - 11:30 AM ET

I. Corporate Action

A. Approval of the Minutes of the January 19, 2023 Directors' Meeting

I. A. - 011923 Draft ESD Minutes - Page 4

Oral Reports

A. President's Report

B. Status Report - COVID-19 Pandemic Small Business Recovery Program

C. Spotlight Presentation - New York Ventures

II. Projects

A. Regional Council Award – Rochester (Finger Lakes Region – Monroe County) – Former Medley Centre Mall Redevelopment Phase I Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

II. A. - Former Medley Centre Mall Redevelopment Phase I Capital FINAL - Page 32

II. A. - Former Medley Centre Mall Redevelopment Phase I Capital Photographs - Page 42

B. Rochester (Finger Lakes Region – Monroe County) – Luminate NY Renewal Cohorts 6-9 Working Capital – Local Assistance Innovation Venture Competition Program (Working Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

II. B. - Luminate NY Renewal Cohorts FINAL - Page 44

C. Schenectady (Capital Region – Schenectady County) – Redburn Transformation Capital – Downtown Revitalization Initiative (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

II. C. - Redburn Transformation Capital FINAL - Page 55

II. C. - Redburn Transformation Capital Photographs - Page 65

D. Albany (Capital Region - Albany County) – FuzeHub Commercialization Competition Working Capital – Local Assistance 2022-23 Innovation Venture Competition Program (Working Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

II. D. - FuzeHub Commercialization Competition Working Capital FINAL - Page 67

E. Regional Council Award – Bethpage (Long Island Region – Nassau County) – Grumman Studios Lunar Module Park Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a

Grant and to Take Related Actions

II. E. - Grumman Studios Lunar Module Park Capital FINAL - Page 77

II. E. - Grumman Studios Lunar Module Park Capital Photographs - Page 89

F. Jericho (Long Island Region – Nassau County) – 1-800-FLOWERS.COM, Inc. – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

II. F. - 1-800-FLOWERS, INC FINAL - Page 91

II. F. - 1-800-FLOWERS, INC Photographs - Page 103

III. At The Direction Of Projects

A. ATDO (At the Direction Of) Projects

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Military Base Redevelopment (Assembly)

A. Mohawk Valley EDGE Military Base Retention Capital - Mohawk Valley Economic Development Growth Enterprises d/b/a Mohawk Valley EDGE (Oneida County) - \$1,000,000

III. A. - ATDO (At The Direction Of) Projects FINAL - Page 105

IV. Reimagine Workforce Preparation Grant Program

A. Statewide – Reimagine Workforce Preparation Grant Program

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Grant Funds to Entrepreneurship Assistance Centers and to Take Related Actions

IV. A - Reimagine Workforce Preparation Grant Program FINAL - Page 117

V. New York Ventures

A. New York State Innovation Venture Capital Fund (“NYSIVCF”)

Authorization of an Investment of NYSIVCF Funds in NopSec, Inc.

V. A. - NYSIVCF - NopSec Inc FINAL - Page 124

VI. Utica Crescent Mixed-Use Project

A. City of New York (Borough of Brooklyn, Kings County) – Utica Crescent Mixed Use Project (the “Project”) (a Land Use Improvement and Residential Project)

Adoption of Second Modification to the General Project Plan (“Second MGPP”); Affirmation of Determination of No Significant Effect on the Environment; Authorization to Hold a Public Hearing Pursuant to Section 16(2) of the New York State Urban Development Corporation Act (the “UDC Act”); and Authorization to Take All Related Actions

VI. A. - Utica Crescent Mixed Use Project FINAL - Page 129

VI. A. - Exhibit 1 - Utica Crescent Mixed Use Project General Project Plan - Page 139

VI. A. - Exhibit 2 - Utica Crescent Mixed Use Project Design Guidelines - Page 149

VI. A. - Exhibit 3 - Utica Crescent Mixed Use Project GPP Site Plan - Page 161

VII. Administrative Actions

A. Life Sciences Initiative

Procurement of Services Related to the Management of the Application Process and Related Activities for the \$40M New York Biodefense Commercialization Fund (“The Fund”) - Authorization to Enter into a Contract Extension for Management of Application Processes and Mentoring Services and to Take Related Actions

VII. A. - Life Sciences-Biodefense Commercialization Fund FINAL - Page 162

B. Procurement of Legal Services

Authorization to Enter into a Contract Amendment with Goldman Antonetti & Cordova, LLC (the "Firm") to Continue to Provide Legal Services in Connection with the NYS Office of Trade and Tourism Office Space in Old San Juan, Puerto Rico; and Authorization to Take Related Actions

VII. B. - Procurement of Legal Services - Contract Amendment (Goldman Antonetti Cordova) - Page 168

C. Procurement of Legal Services

Authorization to Enter into an Amended Contract with Sidley Austin, LLP to Continue to Provide Legal Services in Connection with the Buffalo Bills Stadium Project; and Authorization to Take Related Actions

VII. C. - Procurement of Legal Services - Contract Amendment (Sidley Austin) FINAL - Page 172

D. Bronx (Bronx County) – Bronx Psychiatric Center

Authorization to Amend the Contract with Sive Paget & Riesel, P.C. to Provide Environmental Legal Services in Connection with the Disposition and Redevelopment of a Portion of the Bronx Psychiatric Center (the "Project") and to Take Related Actions

VII. D. - Bronx Psychiatric Center - Contract Amendment - Sive Paget & Reisel PC FINAL - Page 176

VIII. For Information**A. FY 2022-23 Cumulative Quarterly Budget Variance Reports (Third Quarter)**

VIII. A. - Budget Variance Report Cover Memo FINAL - Page 181

VIII. A. - Attachment 1 - Departmental Budget Variance Report - Page 182

VIII. A. - Attachment 2 - Subsidiary Operating Budget Variance Report_ - Page 186

VIII. A. - Attachment 3 - Subsidiary Capital Budget Variance Report_ - Page 187

DRAFT - SUBJECT TO REVIEW AND REVISION

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

d/b/a Empire State Development

Meeting of the Directors

633 Third Avenue

37th Floor Conference Room

New York, New York 10017

January 19, 2023

MINUTES

In Attendance

Directors:

Kevin S. Law, Chair

Sherry A. Glied

Hope Knight

Benson V. Martin – Designee - Superintendent - NYS Department
of Financial Services

Hilda Escher Rosario

Robert M. Simpson

John Wang

Present for ESD:

Simone Bethune, Senior Project Manager

Matthew Bray, Treasurer

Stephen Gawlik, VP, Poly & Capital Projects & Sr. Counsel, Strategic Initiatives

Felisa Hochheiser, Director of Compliance

Jonevan Hornsby, Assistant Vice President - Portfolio Management and
Project Finance

Douglas Janese, Senior Counsel

Ashley Lherisson, Associate Counsel

Elizabeth Lusskin, Executive Vice President - Small Business & Technology
Development

Kathleen Mize, Deputy Chief Financial Officer and Controller

Raymond Orlando, Chief Financial Officer

Laura O’Sullivan, Regional Director - Finger Lakes Region

Noah Rayman, Chief of Staff

Debbie Royce, Corporate Secretary

Arden Sokolow, Executive Vice President - Real Estate Development
and Planning

Joseph Tazewell, Regional Director - New York City Region

Paul Tronolone, Vice President - Planning and Policy, WNY

Goldie Weixel, Deputy General Counsel

Michael Yevoli, Regional Director - Capital Region

Kevin Younis, Chief Operating Officer

Also Present:

Steve Kunin, Principal - Rise Community Capital

Jenny O’Connor, Associate - Rise Community Capital

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The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 9:31 a.m. by Chair Law.

Chair Law noted that the meeting was being webcast and reminded everyone on the telephone to please mute their phones until they are speaking.

Chair Law then noted that the public had been given an opportunity to comment on the Agenda items by submitting their written comments by noon yesterday and that no comments were received.

Chair Law advised that the Directors were given the written materials in advance of today’s meeting and were free to ask questions at any time during the presentations.

Chair Law then asked the Directors whether anyone had any conflicts of interest to note on any of the Agenda items. Director Escher noted that she would recuse herself from the Finger Lakes Regional item relating to Innovation Square.

Noting that recusal, the Chair then called for a motion to approve the Minutes of the December 15, 2022 Directors’ Meeting. There being no changes or corrections, upon motion duly made and seconded, the following Resolution was unanimously adopted:

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APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE DECEMBER 15, 2022 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meetings of the Corporation held on December 15, 2022, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meetings as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Chair Law then called on Hope Knight, ESD's President and CEO, to provide the President's Report on the Corporation's most recent activities.

Next, the Chair called on Paul Tronolone, Vice President of Planning and Policy - WNY, to provide the Spotlight Presentation on Buffalo and Western New York Regional projects

Next, Chair Law called on Laura O'Sullivan, Regional Director of ESD's Finger Lakes Region, to present the next item on the Agenda for the Directors' consideration.

Ms. O'Sullivan explained that the Directors were being asked to approve a Regional Council Capital Fund grant in the amount of \$3 million to Innovation Square Capital to be used to support the cost of real estate acquisition, construction and renovations related to the commercial and educational components of a 30-story, 580,000 square-foot mixed-use building in downtown Rochester.

Ms. O'Sullivan noted that the project will provide mixed-use residential, commercial and

academic space to help create opportunities between businesses and students for mentorships and internships.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, and stating Director Escher was recused from this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award – Priority Project – City of Rochester (Finger Lakes Region – Monroe County) – Innovation Square Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Innovation Square Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Innovation Partners ROC LLC a grant for a total amount not to exceed Three Million Dollars (\$3,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of

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the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Michael Yevoli, Regional Director of ESD's Capital Region, to present the next item on the Agenda for the Directors' consideration.

Mr. Yevoli explained that the Directors were being asked to approve an Empire State Economic Development Fund grant in the amount of \$320,000 to East Coast Nitrogen to be used to fund a portion of the costs associated with renovations, upgrades and expansion of their existing Glenmont manufacturing facility in Albany County.

Mr. Yevoli further explained that this is a joint venture between Air Products and Chemical, Inc. and Messer LLC, formerly known as Lindy LLC, that was formed in March 2017. The ownership is a 50/50 partnership that allows the two companies to split the costs for the expansion in Glenmont and operate the plant as a joint venture going forward.

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Mr. Yevoli noted that the plant produces liquid nitrogen, liquid oxygen and liquid argon distributed to a customer base through the Northeast.

Mr. Yevoli noted that both companies manage their own customer sales services and distribution operations from the same location but share the production and storage operations.

Mr. Yevoli further noted that East Coast Nitrogen currently has 78 full time employees, which exceeds its employment requirement, and has invested approximately \$81 million in the project including \$70 million of its own equity.

Following the full presentation, Chair Law called for any questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

Glenmont (Capital District Region – Albany County) – East Coast Nitrogen Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16(m) and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the East Coast Nitrogen Capital – Empire State Economic Development Fund - General Development Financing – (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

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1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to East Coast Nitrogen LLC a grant for a total amount not to exceed three hundred and twenty thousand Dollars (\$320,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

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Glenmont (Capital District Region – Albany County) – East Coast Nitrogen Capital – Empire State Economic Development Fund General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the East Coast Nitrogen Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Chair Law then called on Joseph Tazewell, Regional Director of ESD's New York City Region, to present the next item on the Agenda for the Directors' consideration.

Mr. Tazewell explained that the Directors were being asked to approve a New York Works Economic Development Fund grant in the amount of \$6.5 million to Lincoln Center for the Performing Arts in connection with its \$38.6 million construction and renovation of 21,000 square-feet of public space in and around David Geffen Hall.

Mr. Tazewell further explained that a condition of ESD's funding is that Lincoln Center will hold free community targeted events and performances in these public spaces and implement a Diversity and Arts Fellowship Program.

Mr. Tazewell noted that the project opened in October 2022 and retains 177 existing jobs within Geffen Hall and has created 185 jobs, exceeding its goal by 71 new jobs.

In response to a question by Chair Law on the ownership of the campus, Mr. Tazewell responded that it has multiple owners, but is managed by Lincoln Center for the Performing

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Arts and utilized by 11 resident organizations.

Following the full presentation, Chair Law called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

New York (New York City Region – New York County) – The David Geffen Hall Renovation Capital – New York Works Economic Development Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the The David Geffen Hall Renovation Capital -- New York Works EDF 21-22 (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Lincoln Center for the Performing Arts, Inc. a grant for a total amount not to exceed SIX MILLION FIVE HUNDRED THOUSAND Dollars (\$6,500,000) from the New York Works EDF, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Simone Bethune, Senior Project Manager and Coordinator of Projects in Loans & Grants, to present the next item on the Agenda for the Directors' consideration.

Ms. Bethune explained that these grants are commitments listed in the New York State budget that enhance State communities through cultural, educational, research and development and civic organizations.

Ms. Bethune further explained that these projects originate from the Governor or the New York State Assembly or Senate and ESD is named to administer the funding but does not select the project recipients.

The first project Ms. Bethune presented involved the approval of a \$1 million appropriation to the Boys and Girls Club of Schenectady, an affiliate member of the Boys and

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Girls Club of America (“BGCA”), a not-for-profit organization focused on youth development through service and education.

Ms. Bethune explained that this award was made available in Fiscal Year 2018-2019 NYS Budget from the Capital Assistance Program for Technology, Infrastructure and Economic Development Program at the direction of New York State Senator James Tedisco of the 49th District, to be used to promote youth development and community revitalization efforts in the Capital District region.

Ms. Bethune further explained that with this funding BGCA constructed a 39,450 square-foot Boys and Girls Club in Mount Pleasant located in Schenectady to serve the community youth and further promote community revitalization.

The second project Ms. Bethune presented involved the modification of a previously approved \$45 million commitment to the Adirondack North Country Sports Council, to approve an additional \$2 million appropriation in funding from the World University Games Project Fund to the 2023 Winter University Games in Lake Placid.

Ms. Bethune noted that a prior award funded the development of a five-year implementation plan to secure the 2023 Winter University Games. An initial award in the amount of \$5 million was approved on January 16, 2020, and an additional \$5 million was authorized in the 2021-2022 budget and approved in January 2022.

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Ms. Bethune further noted that a \$35 million appropriation was made available to the project to be applied to operational functions and capital costs associated with the lease and fit-out of a suitable facility to act as the main operations center for over a hundred staff members.

Ms. Bethune noted that the \$2 million appropriation being requested today will be made from the World University Games Project Fund and will continue to cover capital and working capital expenses.

Following the full presentation, Chair Law reiterated that ESD is a facilitator of these type of projects and called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

Capital Assistance Program for Technology Infrastructure and Development – (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Capital Assistance Program for Technology Infrastructure and Development Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to a make a grant to the party and for the amount listed below from the Capital Assistance Program for Technology Infrastructure and

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Development program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Capital Assistance Program for Technology Infrastructure and Development Boys and Girls Clubs of Schenectady, Inc. a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Capital Assistance Program for Technology Infrastructure and Development, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) receipt of funds

Capital Assistance Program for Technology Infrastructure and Development – Senate – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
	Capital Assistance Program for Technology Infrastructure and Development (Senate)			

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A.	Boys & Girls Clubs of Schenectady Capital	134,972	Boys & Girls Clubs of Schenectady, Inc.	\$1,000,000
	TOTAL CAPTID PROJECTS – 1		TOTAL	\$1,000,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Lake Placid (North Country – Essex County) – 2023 Winter University Games 5-Year Implementation Plan Phase II Capital - World University Games Miscellaneous Fund – All State Departments and Agencies (Capital Grant) – Authorization to Modify the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

BE IT RESOLVED, that based on the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, that the grant of Five Million Dollars (\$5,000,000) from the Upstate Revitalization Initiative, and Five Million Dollars (\$5,000,000) from the New York Works Economic Development Fund, and Thirty Five Million Dollars (\$35,000,000) from the World University Games Miscellaneous Fund authorized by the Directors of the Corporation on January 16, 2020 as modified on January 20, 2022, and as modified on May 19, 2022, be and it hereby is modified and the Directors of the Corporation hereby adopt the Amended Project Plan, to implement the project as amended, all as set forth in the materials presented to the Directors of the Corporation on January 19, 2023; and be it further

RESOLVED, that, except as modified hereby, all other terms of the grant as originally authorized by the Directors of the Corporation shall remain in full force and effect; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project included in these materials, copies of which Plan shall be maintained with the records of the Corporation;

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and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council a grant for a total amount not to exceed Forty Seven Million Dollars (\$47,000,000) from the Upstate Revitalization Initiative, the New York Works Economic Development Fund and the World University Games Miscellaneous Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council an additional grant for a total amount not to exceed Two Million Dollars (\$2,000,000), from the World University Games Miscellaneous Fund for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

World University Games Miscellaneous – All State Departments and Agencies – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
B.	World University Games Miscellaneous – All State Departments and Agencies (Executive)			
	2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital*	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$2,000,000

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	<i>*Request for ESD Directors' Modification</i>			
	TOTAL World Games PROJECT – 1		TOTAL	\$2,000,000

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Jonevan Hornsby, Assistant Vice President - Portfolio Management and Project Finance, to present the next item on the Agenda related to the Empire State New Market Corporation (“ESNMC”) item for the Directors’ consideration.

Mr. Hornsby explained that the Directors were being asked to approve a request to make findings and determinations to prioritize the approval of a sub-allocation of Federal New Market Tax Credits; adopt and ratify the Empire State New Market Corporation’s General Project Plan; make a determination of no significant effect on the environment; and take related actions in connection with the GLOW YMCA Healthy Living Capital Project in Batavia New York.

Mr. Hornsby further explained that on December 20, 2022, ESNMC approved a sub-allocation of up to \$9 million to make qualified low-income community investments to GLOW Young Men’s Christian Association, Inc. for construction of a Healthy Living Campus, a collaboration between the YMCA and United Memorial Medical Center.

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Mr. Hornsby noted that this investment will help finance the cost of construction of a new facility, pay for transaction costs and other related expenditures to increase healthcare services in Batavia.

Mr. Hornsby further noted that in addition to approving sub-allocations of New Market Tax Credits for the project, the ESNMC Directors approved operative documents and all other related actions to finalize the transaction. He advised that ESMNC's Project Review Committee and its Advisory Board recommended this project for investment.

Mr. Hornsby stated that the 78,500 square-foot newly constructed Healthy Living Campus will consist of approximately 58,500 square-feet for the YMCA and 20,000 square-feet for the United Memorial Medical Center's primary care facility.

Mr. Hornsby noted that the project is expected to create 30 permanent full-time jobs, retain 12 full-time jobs and create 72 construction jobs. He further noted that the total project cost is \$27.5 million and is expected to be completed in the Spring 2024.

Mr. Hornsby noted that ESD's New Market Tax Credit consultants from Rise Community Capital, Steve Kunin and Jenny O'Connor, were on the line to answer any questions.

Following the full presentation, and confirmation that these were Federal Tax Credits administered by ESD, Chair Law called for any further questions or comments from the

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Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Batavia (Finger Lakes Region – Genesee County) – GLOW YMCA, Inc. – New Markets Tax Credit Sub-Allocation – Construction of the Healthy Living Campus, a Collaboration Between the YMCA and United Memorial Medical Center (“UMMC”) Being Constructed by GLOW Young Men's Christian Association, Inc. (the “Project”) – Findings and Determinations Pursuant to Sections 12 and 10(g) of the New York State Urban Development Corporation Act, as Amended (the “Act”), to Prioritize and Approve the Project, Adopt the Empire State New Market Corporation (“ESNMC”) General Project Plan, Make a Determination of No Significant Effect on the Environment, and Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, copies of which are hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Project, the Corporation hereby selects and approves the Project, in accordance with the requirements of Section 12 and 10(g) of the Act and adopts the ESNMC General Project Plan (the “GPP”) for the Project submitted to this meeting, together with such changes therein as the ESNMC President or his designee(s) may deem appropriate, a copy of which GPP, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that, in accordance with Section 16(2) of the Act, upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the GPP, such GPP shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to approve the Project, including the sub-allocation of up to \$9,000,000 of NMTCs, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that pursuant to Section 10(g) of the Act, that there are no families or individuals to be displaced from the location of the Project; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion

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consider to be necessary or proper to effectuate the foregoing resolutions; and be it further

RESOLVED, that any actions previously taken by the Corporation in furtherance of the actions authorized herein are hereby ratified and approved.

RESOLVED, that based on the environmental review of the Project conducted by the City of Batavia Planning & Development Committee, as lead agency, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Chair Law then called on Doug Janese to present the eight Administrative Action items on the Agenda for the Directors' consideration.

The first item Mr. Janese presented related to the New York State Electric Generation Facility Cessation Mitigation Program, which makes payments that offset reductions in property tax revenues to local government entities due to the closure of electric generating facilities in their jurisdictions.

Mr. Janese explained that both payments being requested today are related to the closure of Dunkirk Electric Generation Facilities that were closed in January 2016. The first payment is for the facility located in Chautauqua County in the amount of \$435,732; and the second payment is for the facility located in the City of Dunkirk in the amount of \$753,071.

Mr. Janese noted that the approval of these two payments will bring the total disbursements from the fund to approximately \$58 million of the \$140 million authorized for the program.

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The second item Mr. Janese presented involved a landbank application submitted by Franklin County. He explained that a landbank is a not-for-profit corporation created by local government to assist with the issue of vacant, abandoned and tax-delinquent properties.

Mr. Janese noted that staff has reviewed Franklin County's application and believes that the landbank will be successful in this community.

The third item Mr. Janese presented involved an amendment of a procurement contract for consultant services with Mason Tillman Associates Ltd. to conduct a personal net worth study and workforce disparity study.

Mr. Janese noted that the study will provide the Division with criteria, methodology and recommendations for determining if the personal net worth cap should be increased on an industry-by-industry basis, specifying which industry should be increase and by how much. He further noted it will provide criteria, methodology and recommendations for determining regional aspirational workforce diversity goals on State construction contracts.

Mr. Janese stated the contract will be extended to March 31, 2023, will be increased in the amount of \$40,000, and the source of funding will continue to be through revenue earned from the 2022 MWBE Forum event.

Chair Law asked if ESD is being directed to do this study by the Legislature or the

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Governor or is this an internal compliance issue that ESD needs to do to implement the program.

Ashley Lherisson, ESD Associate Counsel, responded that in July 2019, New York State signed into law the re-authorization of Article 15-A, which increased the personal net worth for certification from \$3 million to \$15 million and gave the Division the authority to add additional personal net worth requirements on an industry-by-industry basis if needed.

Ms. Lherisson explained that the re-authorization added a Workforce Diversity Program which requires setting aspirational goals. She stated the Division wants to review personal net worth and determine if it should vary by industry and wants to take a further look into the goals for workforce of the employment of minority and women employees in State construction projects

Continuing with the administrative items, Mr. Janese explained that the fourth and fifth items are related to the authorization to enter into contracts for legal services in connection with the State Small Business Credit Initiative Venture and Accelerator Program.

Mr. Janese explained that based on the anticipated volume of transactions and the wide array and complexity of legal issues that are likely to arise, ESD will need to enlist the services of outside counsel in order to ensure that these programs are launched and supported in an appropriate and thorough manner.

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Mr. Janese noted that the first contract is in the amount of \$500,000 with Nixon Peabody, LLP for a term of two years; and the second contract is in the amount of \$500,000 with Reitler, Kailas & Rosenblatt, LLP for a term of two years. He further noted that both contracts include the option to renew for an additional two years.

Mr. Janese explained that the next two items relate to contract amendments for legal services related to the Brooklyn Development Center Mixed-Use Project and are authorizations to increase the contract amounts with two law firms currently providing legal services.

Mr. Janese further explained that the contract amounts and terms will be increased to cover additional and necessary work associated with the development project.

Mr. Janese advised the first contract with the law firm of Schoeman Updike Kaufman & Gerber LLP for real estate legal services will be increased for an additional amount of \$250,000 and the term extended through February 28, 2025. He further advised the second contract with the law firm of Sive, Paget & Riesel, PC for environmental legal services will be increased for an additional \$250,000 and will also be extended through February 28, 2025. He noted that the contracts will be funded through an imprest account funded by the project developer, Vital BDC, LLC.

The final item on the Agenda related to a contract for marketing and promotion services of the New York State Dairy Industry through Cornell University.

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Mr. Janese explained that the Directors were being asked to approve a \$650,000 Market Order Contract with Cornell University to support their partner program, New York Agriculture in the Classroom.

Mr. Janese noted that the New York State Dairy Industry will be marketed and promoted with the goal of increasing the consumption of milk and dairy products by young people by increasing the amount of classroom instruction focused on the dairy industry.

The Chair asked if ESD only approves municipal Landbanks.

Mr. Janese stated that ESD approves all of them according to the legislature.

Following the full presentations and clarification of ESD's role in approving landbanks, the Chair called for any further questions or comments from the Directors regarding items V. A. through V. H.

Hearing none, and noting that no comments were received from the public, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

Statewide – New York State Electric Generation Facility Cessation Mitigation Program - Authorization to Make Statutory Payments and to Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the Electric Generation Facility Cessation Mitigation Program ("the Program") payments identified below, the President and Chief Executive Officer or her designee(s) be, and each of them

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hereby is, authorized to make the payments as set forth below from the Electric Generation Facility Cessation Mitigation Program, for the purposes and substantially on the terms and conditions set forth in the Materials and the Program guidelines, with such changes as the President and Chief Executive Officer or her designee(s) may deem appropriate, subject to the availability of funds:

Project #	Applicant	Facility	Closure Date	Revenue Loss	County	Proposed Payment Amount
AB358	Chautauqua County	Dunkirk Power LLC	January 1, 2016	95%	Chautauqua	\$435,732.52
AB357	City of Dunkirk	Dunkirk Power LLC	January 1, 2016	95%	Chautauqua	\$753,071.41

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of payments, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the payments as she or he may deem necessary or appropriate in the administration of the payments; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she or he may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Land Bank Program – Approval of Land Bank Application and Authorization to Take All Related Actions

RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by Franklin County for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that President and Chief Executive Officer or her designee(s) be, and each of them

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hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolution.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Procurement of Consultant Services to Conduct a Personal Net Worth Study and Workforce Diversity Study - Authorization to Enter into a Contract Amendment with Mason Tillman Associates, Ltd. for Consultant Services and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Mason Tillman Associates, Ltd. (“MTA”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend and extend the contract with MTA in the amount of FORTY THOUSAND DOLLARS (\$40,000.00) for a total contract amount not to exceed ONE HUNDRED EIGHTY-NINE THOUSAND EIGHT HUNDRED THIRTY-FIVE DOLLARS (\$189,835.00) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Procurement of Legal Services – Statewide - Authorization to Enter into a Contract to Provide Legal Services in Connection with the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented for this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Nixon Peabody, LLP (“Nixon” or the “Firm”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the Firm for up to \$500,000.00, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem

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appropriate; and be it further

RESOLVED, that the term of the contract with the Firm shall be two years which may be extended for two additional one-year options at the discretion of the Corporation's General Counsel; and be it further

RESOLVED, that the President and Chief Executive Officer and/or her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Procurement of Legal Services – Statewide - Authorization to Enter into a Contract to Provide Legal Services in Connection with the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented for this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Reitler, Kailas & Rosenblatt LLP ("Reitler" or the "Firm") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the Firm for up to \$500,000.00, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the term of the contract with the Firm shall be two years which may be extended for two additional one-year options at the discretion of the Corporation's General Counsel; and be it further

RESOLVED, that the President and Chief Executive Officer and/or her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – New York City (Kings County) – Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Schoeman Updike Kaufman

& Gerber LLP for Real Estate Legal Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds Schoeman Updike Kaufman & Gerber LLP (the "Firm") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the current Contract with the Firm for the purposes and services, and substantially on the terms and conditions set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer and her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – New York City (Kings County) – Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Sive, Paget & Riesel, PC for Environmental Legal Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds Sive, Paget & Riesel, PC (the "Firm") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the current Contract with the Firm for the purposes and services, and substantially on the terms and conditions set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer and her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a Empire State Development - Contract for Marketing and Promotion Services of the New York State Dairy Industry Through Cornell University on Behalf of New York Agriculture in the Classroom; - Authorization to Enter into a Contract for Marketing and Promotion Services of the New York State Dairy Industry Relating to the Market Order Program and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials") a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Cornell University to be responsible; and be It further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Cornell University for a total contract amount of SIX HUNDRED AND FIFTY THOUSAND DOLLARS (\$650,000) for the purposes and services and substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer, or other officer of the Corporation, or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

Following the presentation and noting there was no further business, the meeting was adjourned at 10:28 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Regional Council Award – Rochester (Finger Lakes Region – Monroe County) – Former Medley Centre Mall Redevelopment Phase I Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

ESD Directors' Summary

1733 Ridge Road LLC (“1733 Ridge”), a limited liability company created to own and redevelop the former Medley Centre Mall in Rochester, applied via the Finger Lakes’ Regional Economic Development Council’s (“FLREDC”) Consolidated Funding Application in July 2017 for Phase I mixed-use redevelopment of the former Medley Centre Mall in Rochester. At the time of application, the Mall was the largest vacant building in Monroe County, and had been so since 2009. Based on the FLREDC’s Plan to increase regional wealth, drive private investment, and reduce poverty, the FLREDC recommended funding the project.

In March 2018, ESD staff signed an Incentive Proposal with the Grantee, agreeing to make a grant of up to \$2,000,000 to pay a portion of the cost of construction and renovation expenses related to the Phase I mixed-use redevelopment of the former Medley Centre Mall. In December 2019, ESD approved changing the grantee from 1733 Ridge, which was solely owned by Angelo Ingrassia, to Skyview Phase I LLC, which is also solely owned by Angelo Ingrassia. The project has been completed, making the Grantee eligible for reimbursement. Total project costs were \$11,879,530, including \$1,187,953 in equity contributed by the Grantee. Because the Grantee has satisfied its obligations under the Incentive Proposal, ESD is now recommending that the Board authorize the release of funds for this project.

General Project Plan

I. Project Summary

Grantee: Skyview Phase I LLC ("Skyview," or the "Company")

ESD* Investment: A grant of up to \$2,000,000 to be used for a portion of the cost of construction and renovation

* The New York State Urban Development Corporation doing business as Empire State Development "ESD" or the "Corporation")

Project Location: 450 Skyview Centre Parkway, Rochester, Monroe County

Proposed Project: Phase I mixed-use redevelopment of the former Medley Centre Mall (the "Mall") in Rochester

Project Type: Economic Growth Investment Capital

Regional Council: The Finger Lakes Regional Economic Development Council has been made aware of this item. The project is consistent with the Finger Lakes Regional Economic Development Council Plan to increase regional wealth, drive private investment, and reduce poverty.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$11,033,395
Infrastructure/Site Work	362,180
Soft Costs	<u>483,955</u>

Total Project Costs \$11,879,530

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$2,000,000	17%
Town of Irondequoit Equity	8,691,577	73%
Company Equity	<u>1,187,953</u>	<u>10%</u>
Total Project Financing	<u>\$11,879,530</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Real Estate Development

Company History: Founded in 2019, Skyview Phase I LLC was created to own and redevelop the former Medley Centre Mall in Rochester.

Ownership: Skyview Phase I LLC is privately-owned.

Size: All facilities are located in Rochester, NY.

ESD Involvement: 1733 Ridge Road LLC ("1733 Ridge") applied via the Finger Lakes' Regional Economic Development Council's ("FLREDC") Consolidated Funding Application in July 2017 for Phase I mixed-use redevelopment of the former Medley Centre Mall in Rochester. At the time of application, the Mall was the largest vacant building in Monroe County, and had been so since 2009.

In March 2018, ESD made 1733 Ridge an offer to make a grant of up to \$2,000,000 towards construction and renovation costs to close a funding gap in the project budget; 1733 Ridge accepted ESD's offer in May 2018. In December 2019, ESD approved changing the grantee from 1733 Ridge, which was solely owned by Angelo Ingrassia, to Skyview Phase I LLC, which is also solely owned by Angelo Ingrassia. The project is consistent with the Finger Lakes Regional Economic Development Council Plan to increase regional wealth, drive private investment, and reduce poverty.

Past ESD Support: This the Company's first project with ESD.

B. The Project

Completion: October 2021

Activity: The Company has completed the first phase of the Medley Centre Mall in Rochester. Phase I consisted of the redevelopment of a former food court in the Mall to be used as a 41,000 square-foot Community Center for the Town of Irondequoit. The Community Center includes a meeting space, workout facilities, and a meeting space. Additional Phase I improvements include the renovation of the Mall's two main entrances, repairing, restriping, and replacing damaged curbing, and repairs to parking lot pole light heads and wiring.

Results: The project has allowed for the surrounding community to utilize the new Community Center in a variety of ways including socializing, participating in recreational or educational activities, gaining information, and providing meeting spaces for programs. Some examples of these programs the Community Center offers is a lunch program for Senior citizens, meals on wheels program, daycare and various summer camps for youth, and is now a potential voting location. The Community Center gives community members an affordable and convenient place to work

out and focus on their fitness goals and overall boosts the health and wellbeing of a community. It allows the opportunity for seniors and youth to come together in a location where they may never have before.

Economic Growth

Investment Projects: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Lauren E. Grimm, Executive Assistant
550 Latona Rd Bldg. E Suite 501
Rochester, NY, 14626
Phone: 585-225-0140
E-mail: executive.assistant22@gmail.com

ESD Project No.: AC850

Project Team:	Origination	Stephen Golding
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Kelly Forsey
	Finance	Timothy Anderson
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$2,000,000 capital grant (\$20,000.00) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Up to \$2,000,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials as evidenced by a Certificate of Occupancy and/or other documentation verifying project completion as ESD may require, and documentation of construction/renovation, infrastructure/site work, and soft project costs totaling \$11,450,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be

incurred on or after December 13, 2017, to be considered eligible project costs. All disbursements must be requested by April 1, 2024.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds.* The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
 - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
 - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
 - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
 - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
 - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

*Grant funds will not be subject to recapture if the fee title to the property at the Project Location is transferred, in whole or in part, within five years of disbursement of funds to (i) one or more entities of which ownership is held by Angelo Ingrassia, his spouse, Sally Ingrassia, and/or any of his children, Sammy Ingrassia, Nina Ingrassia, Angelo J. Ingrassia, Kelly Ingrassia, Dino Ingrassia (any one or more of these entities collectively, jointly, and severally hereinafter are referred to as the "Transfer Entity"), or (ii) to one or more trusts for the benefit of one or more of such family members (any one or more of these trusts collectively, jointly, and severally hereinafter are referred to as the "Transfer Trust"). Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of the disbursement of funds by the Transfer Entity or by the Transfer Trust. The Recapture Amount shall be based on the time that has lapsed between when the Grant funds were disbursed and when the transfer by the Transfer Entity or by the Transfer Trust occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, as described in (i) through (v) above.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Town of Irondequoit Town Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on December 11, 2018. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Project Photographs

Regional Council Award – Rochester (Finger Lakes Region – Monroe County) – Former Medley Centre Mall Redevelopment Phase I Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Former Medley Centre Mall Redevelopment Phase I Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Skyview Phase I LLC a grant for a total amount not to exceed TWO MILLION Dollars (\$2,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any

and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

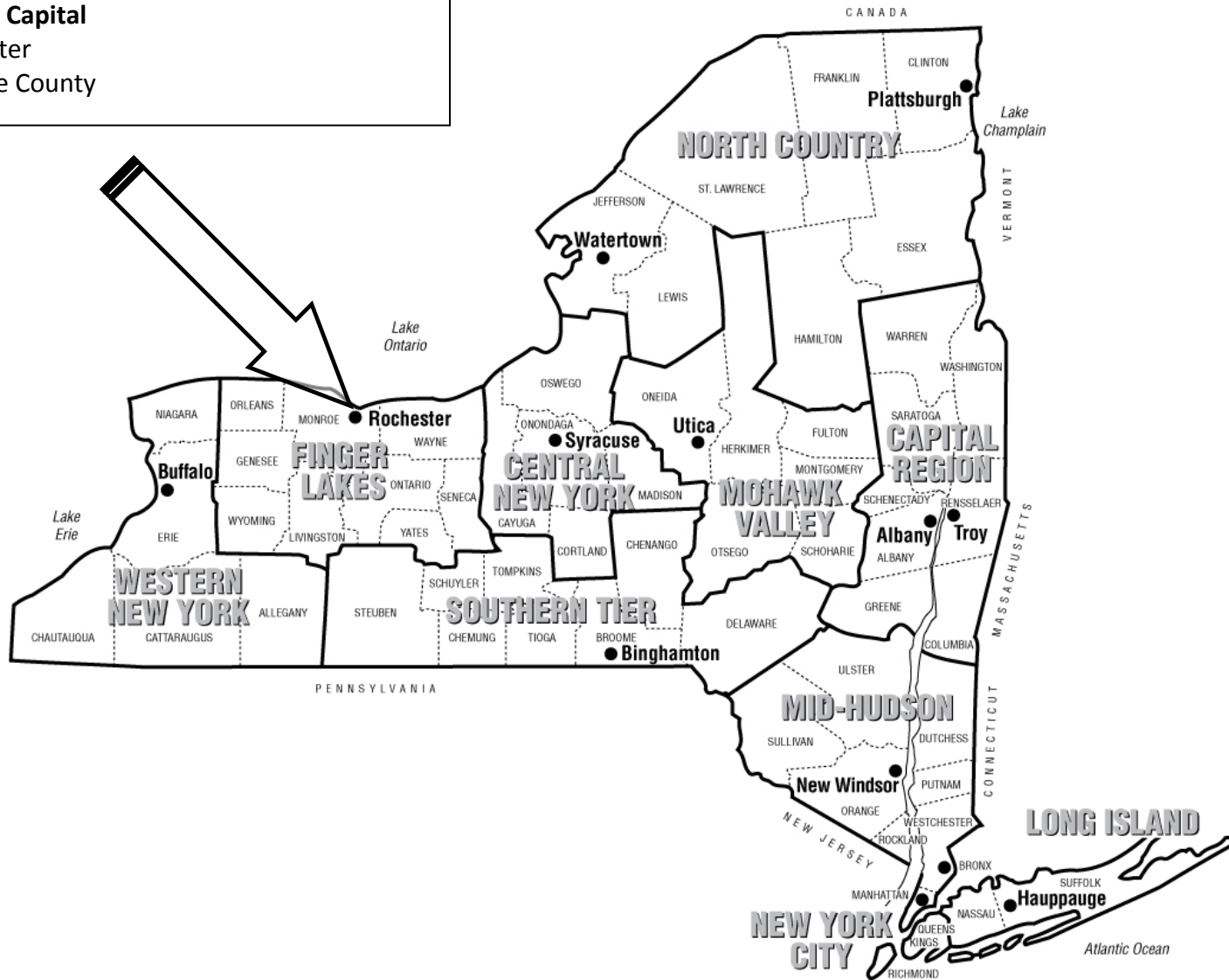
February 16, 2023

Regional Council Award – Rochester (Finger Lakes Region – Monroe County) – Former
Medley Centre Mall Redevelopment Phase I Capital – Regional Council Capital Fund
(Capital Grant) – Determination of No Significant Effect on the Environment

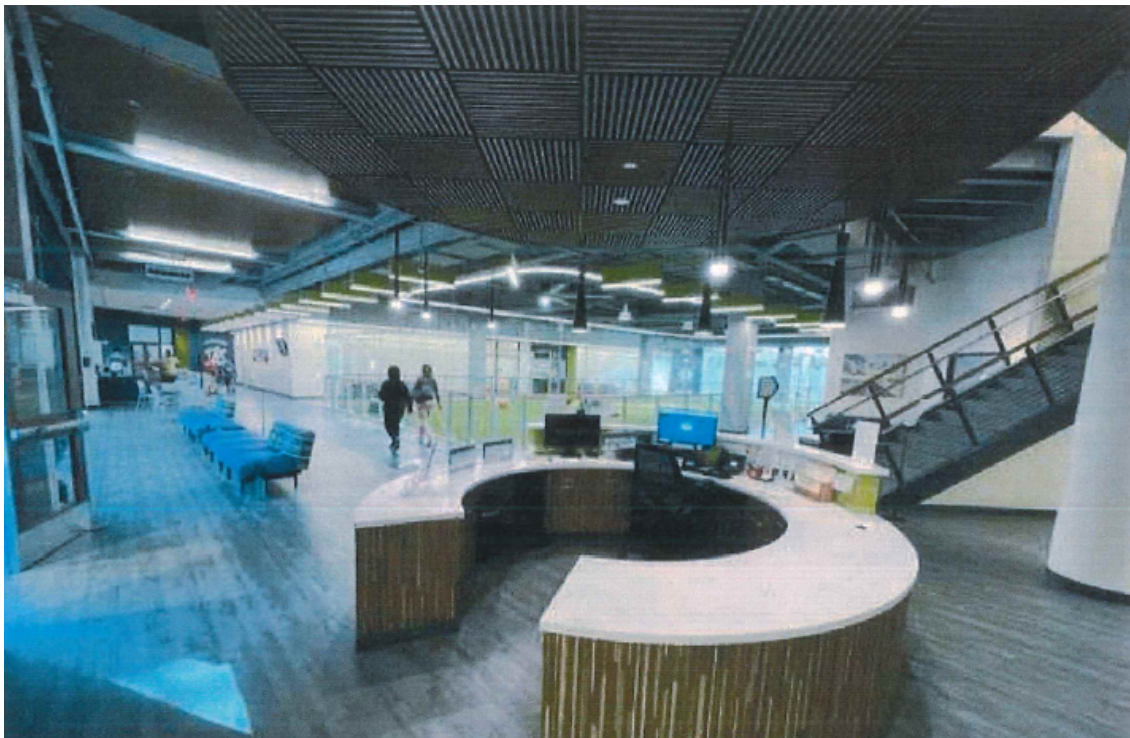
RESOLVED, that based on the material submitted to the Directors with respect to the Former Medley Centre Mall Redevelopment Phase I Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

**Former Medley Centre Mall Redevelopment
Phase I Capital**
Rochester
Monroe County



Former Medley Centre Mall Redevelopment Phase I Capital



Former Medley Centre Mall Redevelopment Phase I Capital



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Rochester (Finger Lakes Region – Monroe County) – Luminate NY
Renewal Cohorts 6-9 Working Capital – Local Assistance Innovation
Venture Competition Program (Working Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Make a Grant and to Take Related Actions

ESD Directors' Summary

NextCorps, Inc. (the “Organization” or “NextCorps”) is a not-for-profit organization that helps innovative technology companies launch and grow. It is an affiliate of the University of Rochester and is a nationally recognized hub for innovation and economic development. NextCorps has been administering the Luminate Venture Challenge (“Luminate”) competition which focuses on optics, imaging, and photonics (“OPI”) start-up companies since 2018. Luminate is an accelerator and investment fund that provides the critical support to early-stage companies to bring their technologies to market and expand their businesses in both the US and global markets. It awards \$3 million annually to a cohort of 10 companies from around the world that are developing emerging solutions in OPI enabled companies. Each of the 10 companies selected receive an initial investment of \$100,000 and an array of support services to assist start-up businesses in product and business development including mentoring, intensive coursework, and networking, a \$1M follow up investment will be made to one company, and another \$1M investment will be distributed to 3-4 companies. ESD has funded the first five cohorts of the competition beginning in 2018. With over 700 companies applying to the program over the first 5 years, Luminate has invested in 53 companies to date. Companies receiving follow up investment must remain in New York State for no less than 12 months.

NextCorps applied for assistance in October 2022, and Empire State Development (“ESD”) staff signed an Incentive Proposal with the Organization in December 2022, agreeing to support the administration of Luminate cohorts 6-9 as well as the investment awards in the operations of the winning participants. The grant award in the amount of \$20,000,000 was included in Governor Hochul’s 2022-2023 budget for state sponsored business competition initiatives. Luminate applications to apply for cohort 6 are due in January 2023. Therefore, ESD is now recommending that the Board authorize the release of project funds.

I. Project Summary

Grantee:	NextCorps, Inc. ("NextCorps" or the "Organization")
Beneficiaries:	Luminate Photonics Venture Challenge ("Luminate") participants (the "Participants")
ESD* Investment:	A grant of up to \$20,000,000 to be used for working capital expenditures for Luminate * The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")
Project Location:	260 East Main Street Suite 6000, Rochester, Monroe County
Proposed Project:	Administration Luminate Cohorts 6-9, and operational and support services for the Participants
Project Type:	Working Capital
Regional Council:	The project aligns with Finger Lakes Forward, the region's comprehensive blueprint to generate robust economic growth and community development. The regionally designed plan focuses on investing in key industries including photonics and advanced manufacturing to make Rochester the premier U.S. location for photonics and related technology companies, as well as with the goals of encouraging entrepreneurship, attracting new businesses, and increasing jobs.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Salaries and Benefits	\$4,700,000
Operations (administration, rent, Utilities, etc.)	1,550,000
Advertising/Marketing/Outreach/Conferences	1,750,000
Competition Awards	<u>12,000,000</u>
Total Project Costs	<u>\$20,000,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>\$20,000,000</u>	<u>100%</u>
Total Project Financing	<u>\$20,000,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Photonics Industry Startup Competition

Grantee History: NextCorps assists technology innovators with growing their businesses and creating new products. Established in 1987, the Organization became an affiliate of the national manufacturing extension partnership program, which offers a variety of expert technical assistance and business solutions for established manufacturers seeking to improve their competitive positions via innovation, efficiency, and quality.

NextCorps is an affiliate of the University of Rochester and operates an incubator/accelerator facility in the Sibley Building, which helps start-ups, researchers, entrepreneurs, and manufacturers through training workshops and facilities such as offices and labs. NextCorps has been designated by New York State as a Regional Technology Development Center and through this designation is a member of the National Institute of Standards and Technology's Manufacturing Extension Partnership. It is also a certified New York State business incubator and manager of the Finger Lakes Innovation Hotspot. In addition to the Luminate accelerator program, NextCorps also runs two other globally-focused accelerator programs, under the For ClimateTech umbrella. Given the organization's leadership role and experience in the finger lakes startup ecosystem, NextCorps is the preferred entity to continue to administer Luminate under this new four-year award.

Ownership: NextCorps is a 501-C-3 not-for-profit economic development organization.

Size: All facilities located in Rochester, NY.

Market: NextCorps assists entrepreneurs and start-ups in the Finger Lakes Region.

ESD Involvement: In January 2017, New York State announced Luminate, a business accelerator competition for start-up optics, photonics, and imaging companies. The competition seeks entrepreneurs worldwide to present innovative business ideas and products to a panel of industry-leading judges with business and entrepreneurial expertise. The winning participants receive cash investments to establish and/or expand their businesses in the Finger Lakes region for one year. They additionally receive support services such as mentoring, networking opportunities and no-cost incubator space from NextCorps, Inc. Luminate attracts promising start-up ventures and innovators worldwide which also

positions the Finger Lakes Region as America's premier location for photonics and related technology companies.

ESD awarded NextCorps an \$10,000,000 grant for cohorts 1 and 2, approved by the Board of Directors in April 2017. To continue the assistance to finance the competition, a second grant, in the amount of \$15,000,000, was approved by the ESD Board of Directors in August 2019 to support the continued administration of Luminate, the financial investment in 10 initial program participants and the operations of up to 4 competition winners in each cohort. We are now requesting assistance in the amount of \$20,000,000 for the administration of cohorts 6-9 and the financial investment to assist with operation support of the Luminate Participants.

Competition: N/A

Past ESD Support: Funding for the past five years to the Grantee, totaling \$33,000,000, is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval Date)	Date End (Project Completion: Contract Expiration)	Purpose
High Tech Rochester Business Accelerator Capital II, III, IV	Z819 Z820 Z821	\$8,000,000	April 17, 2017	December 31, 2024	Capital Grants to Business Accelerator for real estate acquisition, construction/renovations, fixtures, furnishings, equipment and soft costs
Photonics Venture Challenge	AB965	\$10,000,000	June 29, 2017	June 30, 2021	Administration of the Photonics Venture Challenge and operational and support services for Participants
Photonics Venture Challenge	132,691	\$15,000,000	August 15, 2019	December 31, 2025	Administration of the Photonics Venture Challenge and operational and support services for Participants

B. The Project

Completion: December 2026

Activity: The project involves support to participants which includes annual start-up, operational, facilities including laboratory, instruction, incubation, and

mentoring costs. It also involves administration of Luminate including outreach and marketing consisting of social media, direct promotion, and digital marketing, and in-person trade shows; application review and processing; investor and instructor coordination; and events planning/execution. The Participants are expected to leverage the services of NextCorps' Business Accelerator incubation space on the 6th floor of the former Sibley's Building but may also occupy other facilities in and around Rochester.

Funds will support four rounds of the Luminate Venture Challenge comprising of payment for working capital expenditures, including administrative and operating expenses, payroll/benefits, marketing/advertising, and equity investment awards to competition participants through the program rounds. For each round, at least 8 and typically 10 startup businesses will be selected for participation in the competition and receive investment awards of \$100,000 along with support services such as mentoring, coursework in business and product development, promotional activities to help generate interest (PR, trade show attendance, etc.) and networking opportunities. At the end of each round, one company will receive \$1 million follow on investment with an additional \$1 million in investments split among an additional 3-4 companies.

Results:

Since its inception, Luminate has invested \$15 million in 53 startups. The companies in the portfolio now share a net worth of more than \$450 million. In addition to providing an estimated 2-3 times return on investment as well as a 9x match in dollars invested, many international companies are establishing U.S. operations, headquarters or some aspect of research and manufacturing in the Rochester region, which has resulted in 150 jobs with an additional 120 projected soon from two companies. 2021 winners, PreAct Technologies, Andluca, DynoCardia, and Owl committed to establishing pilot, high-tech manufacturing in Rochester, which is expected to jointly create over 100 jobs and leverage regional contract manufacturing. Luminate bolsters the Finger Lakes Region's image as a vibrant and affordable place to live, work and invest.

Economic Growth

Investment Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Mr. James Senall, President
260 East Main Street, Suite 6000
Rochester, New York 14604
Phone: (585) 214-2401
Email: james.senall@nextcorps. org

ESD Project No.: 135,410

Project Team:	Origination	Stephen Golding
	Project Management	Sharon Gray/Jean Williams
	Contractor & Supplier Diversity	Kelly Forsey
	Finance	Tim Anderson
	Environmental	Eram Qadri

C. Financial Terms and Conditions

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. Funds will be disbursed in periodic Advances and no more frequently than quarterly. Prior to the first Advance, the Grantee shall submit a detailed budget ("Project Budget") including monthly estimated expenses through the 6th cohort. Subsequent Advances will be determined following the Grantee's submittal of a detailed cash flow projection (quarterly planned expenses) and a quarterly report. The quarterly report shall provide updates regarding the competition progress/results; marketing/outreach efforts; challenges/unexpected events; expenditures to date by month; and any changes in the Project Budget.

All disbursements require compliance with program requirements and must be requested by no later than April 1, 2026. Expenditures incurred prior to written acceptance of this Incentive Proposal are not eligible project costs and cannot be reimbursed by grant funds.

Within 12 months of the final disbursement, ESD will require documentation verifying all expenditures of \$20,000,000 verified by an independent third-party Certified Public Accountant.

The Grant is being offered in connection with the project as described in the CFA (or ESD application) and that funds will only be made available for projects that are undertaken as described in the CFA (or ESD application), except as expressly authorized by ESD.

In addition, the following will be required:

- Cohorts 6,7, 8 and 9 (Cohorts 1-5 completed under previous ESD grant awards) Competition Winners must reside and operate in the Finger Lakes Region for at least a twelve (12) month period;
 - NextCorps, Inc. will provide incubation space and support for all selected competition participants for a minimum of 4 months prior identification of the Competition Winners; and
 - NextCorps, Inc. will invest in all competition participants at the start of the program cohort and invest Equity Investment Awards (“EIA”) in Competition winners. All investments through the program will be in the form of common stock, preferred stock, convertible notes, SAFE agreements, warrants or other standard venture investment mechanisms. All future proceeds from the equity must be used to reinvest in high technology startups or high technology support activity in the Finger Lakes Region.
3. Written Annual Reports to ESD, will be required starting January 2024 through January 2027. The Annual Reports shall include, but not be limited to, the following information:
- Number, name and amount of prizes awarded to each Participant;
 - Marketing impact – positive media hits about Photonics Venture Challenge;
 - Status of all prior Participants including location of business operation, date of establishment of the operation, initial and current number of jobs, and amount of other funds raised each year by the Participants following the award by NextCorps;
 - Other funds raised (including sources and amounts) by NextCorps to support the Luminate Photonics Venture Challenge; and
 - Additional information to address specific issues as ESD may require.
4. In recognition of ESD's investment in the Luminate Venture Challenge Program, NextCorps, Inc. will work with ESD's Small Business and Technology Development Division to structure how investments are made in participating companies. Furthermore, NextCorps, Inc. will direct to ESD’s Small Business and Technology Development 15% of any Net Proceeds*, if any, received by NextCorps, Inc. from investments made in participating cohort companies. Such payments will be made to ESD as those investments mature and at the same time as other participating investors receive returns. NextCorps, Inc. also agrees that any Proceeds**, including future proceeds from returns on investments, it receives from the successful acquisition, IPO, sale or exit of investments made, will be used to support future Luminate-related activities including program support and/or investments into Luminate portfolio companies. Furthermore, if agreed to and approved by ESDs Small Business and Technology Development Division, NextCorps may also use proceeds for investing in the continued support and growth of the region’s tech-based startup ecosystem. Should Luminate no longer be operating at the time returns are realized, those returns would be used to support other startup activities at NextCorps, Inc. and within the region, as

approved by ESD's Small Business and Technology Development Division.

Furthermore, NextCorps, Inc. agrees to incorporate into its investment documents with companies receiving awards from program funds, any participation rights in follow-on financings to Empire State Development (if and at such time NextCorps, Inc. does not wish to access those rights).

*Net Proceeds of a Liquidity Event means the portion of the returned capital actually received by NextCorps as a result of a Liquidity Event minus (i) the sum of any and all investment banking or advisory fees, transaction fees, legal or other expenses, or taxes incurred by NextCorps in connection with or as a result of such Liquidity Event minus (ii) the aggregate investment made by NextCorps in the Participating Startup that is the subject of such Liquidity Event. For example, if NextCorps, Inc. awards/invests \$500,000 in the Luminate competition to a company, and if that company is then purchased by an acquirer and NextCorps, Inc receives \$750,000 related to its investment, and has \$50,000 in tax liability and \$10,000 in deal related legal or other costs, the Net Proceeds from that sale would be \$190,000 (\$750,000 - \$500,000 - \$50,000 - \$10,000 = \$190,000).

**Proceeds is defined as any return Luminate receives from the direct investments it makes in participating start-up companies who receive awards from the Luminate program.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$20,000,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to recapture if a Competition Winner does not maintain a place of business in the Finger Lakes Region for at least 12 months following the EIA. If that occurs, NextCorps, Inc. will be required to use its best efforts, including legal actions, to recapture the amount of its EIA in that Competition Winner, and then use those funds for future competition, or in support of other high-tech startup activities or to return those funds to ESD, at ESD's discretion.

ESD will be entitled to recoup from the Recipient all or part of the Grant funds if the Recipient fails to meet agreed upon Project requirements and commitment at the Project Location, as described above in Sections III and IV (c).

IV. Statutory Basis – Local Assistance 2022-2023 Innovation Venture Competition Program

The funding was authorized in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Organization shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately \$1,340,133. As such, the goal MWBE utilization shall be no less than \$402,040.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum

Rochester (Finger Lakes Region – Monroe County) – Luminate NY Renewal Cohorts 6-9 Working Capital – Local Assistance Innovation Venture Competition Program (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Luminate NY Renewal Cohorts 6-9 Working Capital – Local Assistance Innovation Venture Competition Program (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to NextCorps, Inc. a grant for a total amount not to exceed Twenty Million Dollars (\$20,000,000) from the Local Assistance Innovation Venture Competition Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

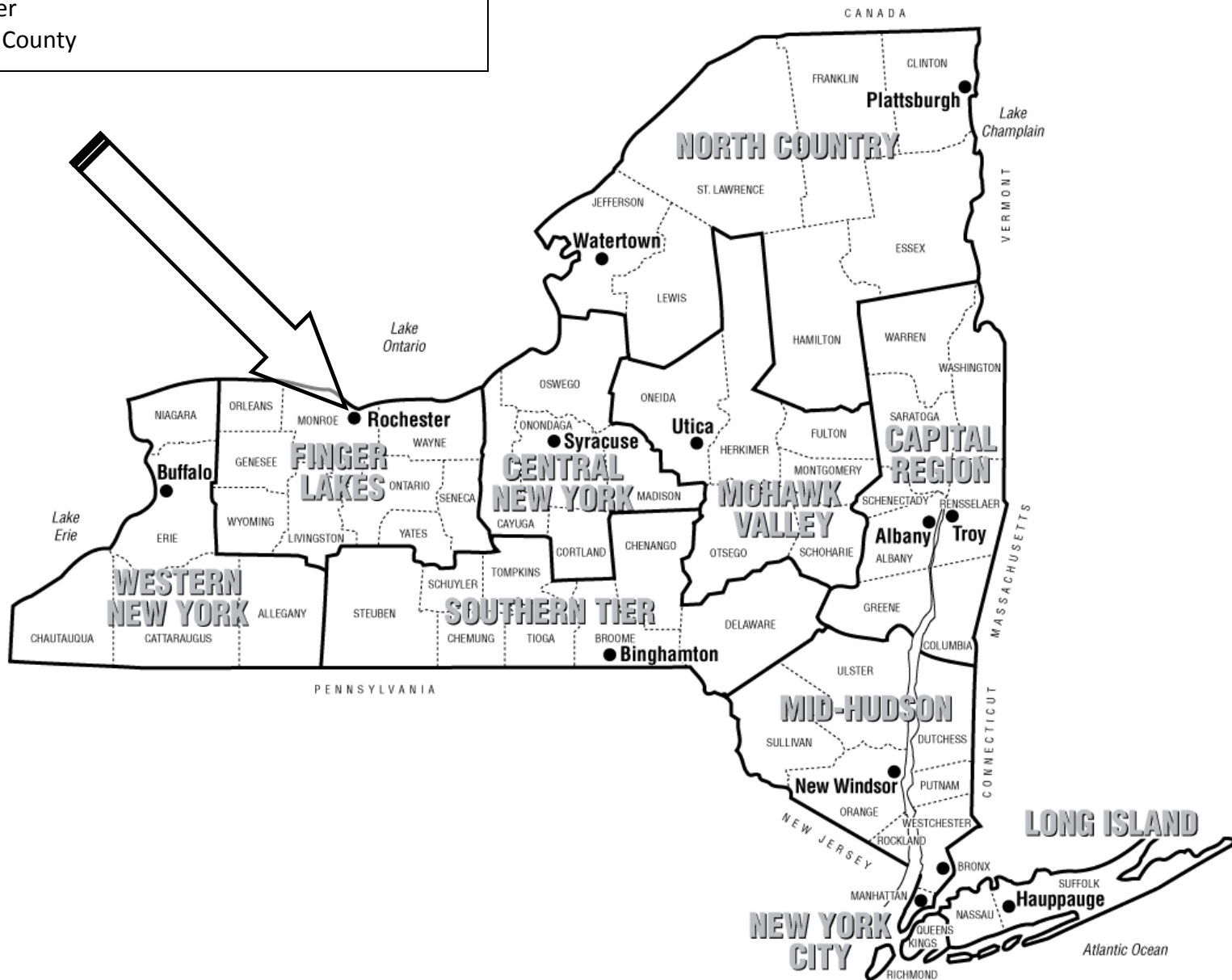
RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Luminate NY Renewal Cohorts 6-9 Working Capital
Rochester
Monroe County



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Schenectady (Capital Region – Schenectady County) – Redburn Transformation Capital – Downtown Revitalization Initiative (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

ESD Directors' Summary

Redburn Real Estate Opportunity Partners, LP (“Redburn” or the “Company”) is privately owned real estate development company located in Schenectady, New York. In 2019, the Company applied for funding through Round 4 of the Capital Region Economic Development Council’s (“CREDC”) Downtown Revitalization Initiative (“DRI”). Based on the CREDC recommendation, ESD staff signed an Incentive Proposal with the Company, agreeing to a \$2,750,000 grant for an overall \$23,139,828 transformative project in the upper portion of downtown Schenectady’s upper urban core. The company undertook a construction and renovation project to redevelop 15 underutilized buildings and vacant lots to create new commercial space, housing and parking in downtown Schenectady’s DRI area. In exchange for the funding, the Company agreed to invest \$3.96 million of their own equity in the project. There are no direct jobs associated with this project.

The Company has made the investment and completed the construction/renovation to the buildings, have obtained Certificates of Occupancy, and the spaces are open to tenants and consumers. Because the Company has satisfied its obligations under the Incentive Proposal, ESD is now recommending that the Board authorize the release of funds for this project.

General Project Plan

I. Project Summary

Grantee: Redburn Real Estate Opportunity Partners, LP
("Redburn" or the "Company")

ESD* Investment: A grant of up to \$2,750,000 to be used for a portion of the cost of construction/renovation

* The New York State Urban Development Corporation doing business as Empire State Development "ESD" or the "Corporation")

Project Locations: 500 State Street, Schenectady, Schenectady County
501 State Street, Schenectady
507 Smith Street, Schenectady
509 Smith Street, Schenectady
511 Smith Street, Schenectady
513 Smith Street, Schenectady
Clinton Street (39.80-2-18.2), Schenectady
215 Clinton Street, Schenectady
219 Clinton Street, Schenectady
221 Clinton Street, Schenectady
315 Clinton Street, Schenectady
208 Lafayette Street, Schenectady
214 Lafayette Street, Schenectady
421 Hamilton Street, Schenectady
423 Hamilton Street, Schenectady

Proposed Project: Renovation and new construction on 15 parcels comprised of empty buildings and vacant lots in Schenectady's upper urban core

Project Type: Downtown revitalization

Regional Council: The Capital Region Economic Development Council ("CREDC") has been made aware of this item.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$20,645,369
Infrastructure/Site Work	547,000
Other (A&E, permitting, etc.)	<u>1,947,459</u>
Total Project Costs	<u>\$23,139,828</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term</u>
ESD-Grant	\$2,750,000	12%	
CAPCOM/Berkshire Bank Financing	16,427,161	71%	3.55% or 3.99%/10 years
Company Equity	<u>3,962,677</u>	<u>17%</u>	
Total Project Financing	<u>\$23,139,828</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: Real Estate Development

Company History: Redburn Real Estate Opportunity Partners, LP was officially formed in 2019 by the partners who founded Redburn Development. One of the primary focuses of the Company has been to invest in areas that have been designated as Opportunity Zones to help rebuild communities.

Ownership: The Company is privately held.

Size: All facilities are located in Schenectady, New York.

Market: The market includes attracting commercial tenants that will revitalize the area, as well as housing for millennials and empty nesters looking to move to a location in which they can walk to restaurants and entertainment venues.

ESD Involvement: The fifteen parcels in Downtown Schenectady selected to be revitalized were old, mostly vacant and abandoned buildings that had been neglected for many years and left in a derelict, unusable condition. Due to the high costs associated with the project, Redburn came to ESD requesting financial assistance to undertake the renovations and construction on the properties in order to complete the transformational downtown project as the Company envisioned.

In November 2021, ESD made the Company an offer of assistance from the Downtown Revitalization Initiative (“DRI”) in the amount of \$2,750,000. The Company accepted ESD’s offer in the same month. Without financial assistance from ESD, this project would not have moved forward.

Competition: In the past four years, more than five other market-rate apartment buildings came on-line in downtown Schenectady.

Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: January 2023

Activity: This project included the construction and historic renovation to create 50,000 square feet of medical office space, a mixed-use building with 3,000 square feet of retail space and 67 new market rate apartments, and 180 new parking spots. This project is located on 15 parcels the was previously comprised of empty buildings and vacant lots.

At time of approval, 42 of 67 apartment units have been rented. At 501 Clinton Street, the Company is in negotiations with a future tenant. At 500 Clinton, tenants include three specialized doctors' offices and a bank.

Results: This project transformed the upper sector of Schenectady's urban core into a center of commerce, living and innovation.

Economic Growth

Investment Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Jeffrey Buell, Principal
204 Lafayette Street
Schenectady, New York 12305
Phone: 518-944-8674
E-mail: jbuell@redburndev. com

ESD Project No.: 134,551

Project Team:	Origination	Linda Dillon
	Project Management	Chelsey Watroba
	Contractor & Supplier Diversity	Danielle Adams
	Finance	Timothy Anderson
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Up to \$2,750,000 will be disbursed to Grantee in lump sum upon documentation of construction/renovation, infrastructure/site work, and other project costs (A&E, permitting, etc.) totaling \$23,139,828, upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after May 11, 2021, to be considered eligible project costs. All disbursements must be requested by April 1, 2024.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,750,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
 - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
 - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
 - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
 - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
 - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Downtown Revitalization Initiative

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the

2019-2020, 2020-2021, 2021-2022, and 2022-2023 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The City of Schenectady Planning Commission, as lead agency, has completed environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. The review found the project would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the listing of the building at 500 State Street on the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Organization/Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Project Photographs

Schenectady (Capital Region – Schenectady County) – Redburn Transformation Capital – Downtown Revitalization Initiative (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Redburn Transformation Capital -- Downtown Revitalization Initiative (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Redburn Real Estate Opportunity Partners, LP a grant for a total amount not to exceed Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000) from the Downtown Revitalization Initiative, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any

and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

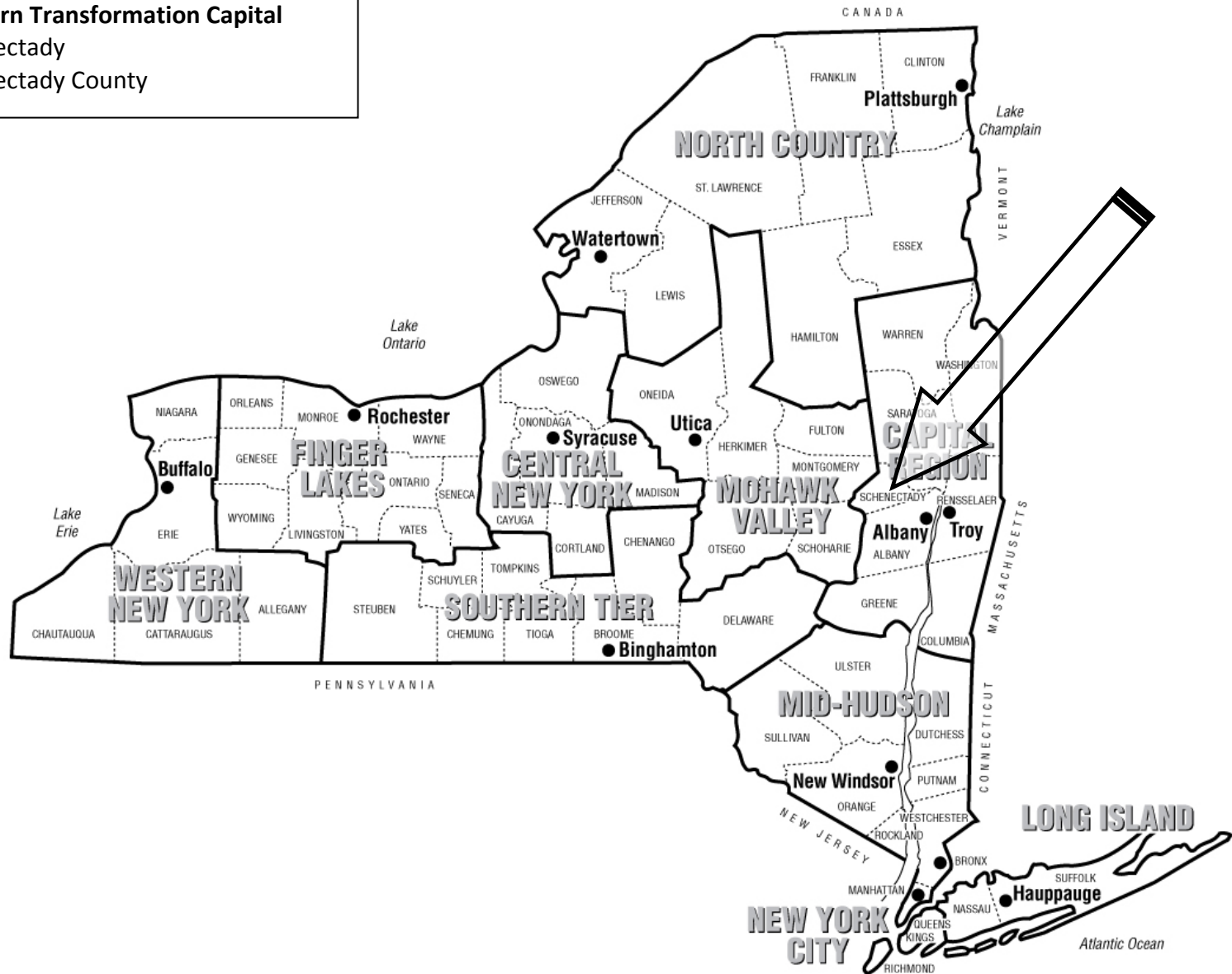
February 16, 2023

Schenectady (Capital Region – Schenectady County) – Redburn Transformation Capital –
Downtown Revitalization Initiative (Capital Grant) – Determination of No Significant
Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Redburn Transformation Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Redburn Transformation Capital
Schenectady
Schenectady County



Redburn Transformation Capital



Redburn Transformation Capital



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Albany (Capital Region - Albany County) – FuzeHub Commercialization Competition Working Capital – Local Assistance 2022-23 Innovation Venture Competition Program (Working Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

ESD Directors' Summary

FuzeHub Inc. (“FuzeHub” or the “Organization”) is a not-for-profit organization formed in 2013 with the mission to provide New York State manufacturers and technology companies with guided access to its extensive network of industry experts, programs and assets to solve productivity, commercialization, research and development issues, and other challenges to growth. The Organization helps start-ups and small to medium sized businesses seeking to grow their business in New York State and provides specialized manufacturing resources as well as access to funding opportunities.

In October 2022, FuzeHub received an offer of assistance from ESD totaling \$2.1 million to continue the operation of the Commercialization Competition for five consecutive years, which FuzeHub accepted shortly after. Funding for the Competition will help small and medium size manufacturing and technology companies further develop their prototype in an effort to pursue additional investment and customers, as well as strengthen their “go-to-market” strategies, as they move from new product/production method to marketplace, through the provision of equity investment awards on a competitive basis.

I. Project Summary

Grantee: FuzeHub Inc. (“FuzeHub” or the “Organization”)

Beneficiary
Company(ies): Commercialization Competition winners (the “Winners”)

ESD* Investment: A grant of up to \$2,100,00 to be used for working capital costs, equity investment awards, and operating and administrative costs to continue the operation of the Commercialization Competition for five consecutive years

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: Statewide

Proposed Project: As part of the Jeff Lawrence Innovation Fund, FuzeHub holds an annual Commercialization Competition. Companies throughout New York State compete to demonstrate the commercialization potential of their technology or product, with an opportunity to win up to \$150,000.

Project Type: Innovation/Entrepreneurship

Regional Council: The Capital Regional Economic Development Council (“CREDC”) has been made aware of this item. The project is consistent with the CREDC’s goals for job creation, workforce development and economic development.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Competitions/awards	\$1,500,000	
Program Operations/staffing cost	<u>\$600,000</u>	
Total Project Costs	<u>\$2,100,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>\$2,100,000</u>	<u>100%</u>
Total Project Financing	<u>\$2,100,000</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Manufacturing and technology companies

Grantee History: Founded in 2013, FuzeHub, Inc. provides New York State manufacturers and technology companies with guided access to its extensive network of industry experts, programs and assets to solve productivity,

commercialization, research and development issues, and other challenges to growth. The Organization helps start-ups and small to medium sized businesses seeking to grow their business in New York State and provides specialized manufacturing resources as well as access to funding opportunities.

Among its many services, FuzeHub also provides training events on trending technologies and connects manufacturing companies to the largest network of manufacturing-related resources throughout the state. The Organization's programs champion the New York State manufacturing and technology community and provide targeted resources to accelerate manufacturing competitiveness and technology commercialization.

FuzeHub also works closely with the NYSTAR network of resources through the state, a network of over 70 organizations that support entrepreneurship in New York State, which help promote its programs, including the Manufacturing Grants and the Commercialization Competition. Beyond word of mouth from supporting partners, FuzeHub utilizes its established promotion channels, through its website, social media, newsletter and email campaigns, and postcard mailings to a list of 10,167 contacts. The Organization also organizes events, and FuzeHub staff attends relevant events, throughout the year, creating multiple opportunities for increased information sharing and promotion of the Commercialization Competition.

Ownership:	FuzeHub is a not-for-profit organization.
Size:	FuzeHub employs 8 full time employees and 3 part time employees. There is one facility located in Albany, NY.
Market:	The Organization helps start-ups and small to medium-sized businesses in the manufacturing and technology industries seeking to grow their business in New York State.
ESD Involvement:	<p>In 2022, the New York State Executive Chamber identified a list of competitions to be funded from the Local Assistance Innovation Venture program to allow ESD to oversee innovation-focused pitch events annually, resulting in a self-sustaining pipeline of business which increases attraction of promising young companies to the state.</p> <p>FuzeHub's competition was selected as one of these vehicles and in October 2022, ESD made the Organization an offer of assistance in the amount of \$2,100,000 to help it fulfill the objectives of the competition. FuzeHub accepted ESD's offer in October 2022.</p>

Past ESD Support: This is the Organization's first project with ESD.

B. The Project

Completion: December 2025

Activity: The FuzeHub Commercialization Competition is intended to help small and medium ("SME") size manufacturing and technology companies further develop their prototype to pursue additional investment and customers as well as strengthen their "go-to-market" strategies, as they move from new product/production method to the marketplace. The Competition is part of the Jeff Lawrence Innovation Fund, a FuzeHub grant program started in 2016 to support innovation throughout New York State, and the Competition will continue with the funding from ESD.

The first round of the Commercialization Competition began in 2017, and this project, with funding from ESD, will support the Competition now in its sixth year. FuzeHub held the 2022 Commercialization Competition on October 25-26, 2022, which was the second iteration of the NYS Innovation Summit. Aside from the competition winners, participation alone gives finalists access to other entrepreneurs, resources and investors from all over the state, a benefit that generates economic impacts on its own. For example, one finalist that was not selected for an award during the 2022 Competition lead to 9 potential sales during the event, as well as the opportunity to attend seminars and round tables of interest to that company.

In terms of process, the Commercialization Competition application period is typically set to open around 14 weeks before the live pitch event in order to allow for all required tasks to be completed on time, remaining open for four weeks. FuzeHub sets up an application process that starts online through its custom portal, where applicants submit documentation to establish their legal business status and operating location, a 10-page commercialization plan summary, a video of their prototype, and a proposed award budget.

The multi-phase selection process starts with a thorough due diligence that lasts about 3 weeks; applications deemed fully eligible go through a first round of scoring completed by a set of judges from the entrepreneurial and economic development community, again online through our portal (3-4 weeks); the judges come together to deliberate on their scores and select the 12 finalists that pitch live in front of a panel of judges and an audience during the NYS Innovation Summit. The live judges score the pitches and meet at the end of the event to deliberate and select the awardees, who are announced during the event. The event is promoted with press releases of the finalists and the awarded companies.

Results: In the 2022 Commercialization Competition, FuzeHub received 39 total applications, of which 34 were deemed eligible. Nine awardees were ultimately selected – the grand awardee received \$150,000, six projects received \$50,000 each, and the final two awardees each received \$25,000. The ultimate goal is to get all nine companies to start selling their products to their respective target customers, creating sales and jobs in the process.

In 2023, FuzeHub is scheduled to hold the NYS Innovation Summit in Saratoga Springs, NY on October 16-17, 2023. The goal is to have the NYS Innovation Summit held in a different part of the state each year. Between the first round of scoring and the live competition, FuzeHub staff and partners work with the finalists to continue promoting the event and get them prepared for a live pitch competition.

Once the projects are selected for an award, FuzeHub puts in place a calendar of milestone reports and follow-up activities that include linking the awarded companies to resources in NYS that can help them solve the technical issues they may encounter along the completion of the project. FuzeHub will provide long-term support to the participant companies. From the 37 projects already awarded, including 18 projects fully funded and completed to date, 11 currently have products on the market; of the four companies that have been evaluated for seed funding to date, one company has been valued at \$6 million, and another at \$110 million.

FuzeHub estimates that the economic impact of the projects awarded in 2022 alone will see the creation of 11 jobs, the retention of 5 jobs, new revenue of \$3 million and new investments worth \$8 million. Since its conception, the Commercialization Competition awardees have reported a total of \$69 million worth of economic impacts, plus 46 new and 220 retained jobs.

Economic Growth

Investment Project: No Benefit-Cost Analysis (“BCA”) is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Mrs. Elena Garuc, Executive Director
25 Monroe St, STE 201
Albany, NY 12210
Phone: 518-768-7030
E-mail: Elena@fuzehub.com

ESD Project No.: 135,150

Project Team:	Origination	Cheyenne Keppler
	Project Management	Cheyenne Keppler
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Kayla Biles
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. Up to \$2,100,000 will be disbursed to the Grantee in no less than five advances and no more frequently than bi-annually, as follows:
 - (a) Advances shall not exceed \$420,000 through the first program round. Prior to the first advance, the Recipient shall submit a detailed budget ("Project Budget") including monthly estimated expenses through all program rounds. Subsequently, annual advances will be determined following the Recipient's submittal of a detailed cash flow projection (quarterly planned expenses) and a quarterly report.
 - (b) The quarterly report shall provide updates on competition progress/results; marketing/outreach efforts; challenges/unexpected events; expenditures to date by month; and any changes in the Project Budget. With each advance request, documentation expenditures, which include invoices and proof of payment, for at least 75 percent of the previous advance and 100 percent of all other advances disbursed to date, will be required.
 - (c) On a quarterly basis through the term of the grant, the Grantee will provide:
 - 1) Bank statements;
 - 2) Excel spreadsheet of all cumulative project expenditures; and
 - 3) All expenditure back-up, including but not limited to: executed contracts, invoices, detailed receipts, and proof of payment.
 - (d) Alcohol purchases are not an eligible expense.
 - (e) Within 12 months of the final disbursement, ESD will require documentation verifying all expenditures of \$2,100,000 verified by an independent third-party Certified Public Accountant.

All disbursements to the Recipient require compliance with program requirements and must be requested by no later than April 30, 2027. Expenditures incurred prior May 1, 2022 are not eligible project costs and cannot be reimbursed by ESD grant funds.

These funds grant are being offered in connection with the project as described in the

application and funds will only be made available for projects that are undertaken as described in the application except as expressly authorized by ESD.

3. In addition, the following is required:

(a) Competition terms shall require winning companies to reside and operate in New York State during the duration of the project. Winning companies that do not comply with the residency requirement shall be obligated to return all Equity Investment Award ("EIA") funds to FuzeHub to be reinvested in the Commercialization competition.

(b) FuzeHub will provide support for all competition winners for a minimum of four (4) months after the company is selected for award.

(c) EIAs will be structured to provide FuzeHub a mechanism to capture equity upside from winning companies that are successful. Such mechanisms may include at FuzeHub's election, common stock, preferred stock, convertible notes, SAFE agreements, warrants, or other standard venture investment mechanisms. FuzeHub shall reinvest any future proceeds derived from it equity in upside programs and activities that support innovation in manufacturing and technology sectors consistent with FuzeHub's not-for-profit status.

(d) Furthermore, FuzeHub will direct to ESD 15% of any Net Proceeds* if any received by FuzeHub from investments made in participating cohort companies. Such payments will be made to ESD as those investments mature and at the same time as other participating investors receive returns. Furthermore, FuzeHub agrees that any Proceeds** it receives from the successful acquisition, IPO sale or exit of investments made, will be used to support future Commercialization Competition Rounds OR other designated purposes as agreed to by ESD and FuzeHub.

*Net Proceeds is defined as any return FuzeHub receives from direct investments made in participating cohort companies above the original cost of investment in that company. For example, if FuzeHub awards/invests \$500,000 in FuzeHub competition to a company and if that company is then purchased by an acquirer and FuzeHub receives \$750,000 related to its investment, the Net Proceeds from that sale would be \$250,000 (\$750,000 - \$500,000 = \$250,000).

**Proceeds is defined as any return FuzeHub receives from the direct investments it makes in participating start-up companies who receive awards from the Commercialization Competition Program.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,100,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by ESD's Directors.

5. EIA funds will be subject to recapture if a competition winner does not maintain a place of business in New York State during the project timeline following its receipt of EIA funds. If that occurs, FuzeHub will be required to use its best efforts, including legal actions, to recapture the amount of its EIA of the competition winner, or in support of other innovate food and agricultural companies or activities in the New York State, or to return said funds to ESD, at ESD's discretion.

IV. Statutory Basis

The funding was authorized in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of New York State certified minority and women-owned business enterprises (MWBEs) in the performance of ESD projects. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the project. No specific MWBE participation goals shall be required of this project, however, the grantee shall adhere to ESD's Non-Discrimination and Equal Employment Opportunity ("EEO") policy.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum

Albany (Capital Region – Albany County) – FuzeHub Commercialization Competition Working Capital – Local Asst 22-23 Innovation Venture Competition Program (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the FuzeHub Commercialization Competition Working Capital – Local Assistance 2022-23 Innovation Venture Competition Program (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to FuzeHub Inc. a grant for a total amount not to exceed Two Million One Hundred Thousand dollars (\$2,100,000) from the Local Assistance 2022-23 Innovation Venture Competition Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

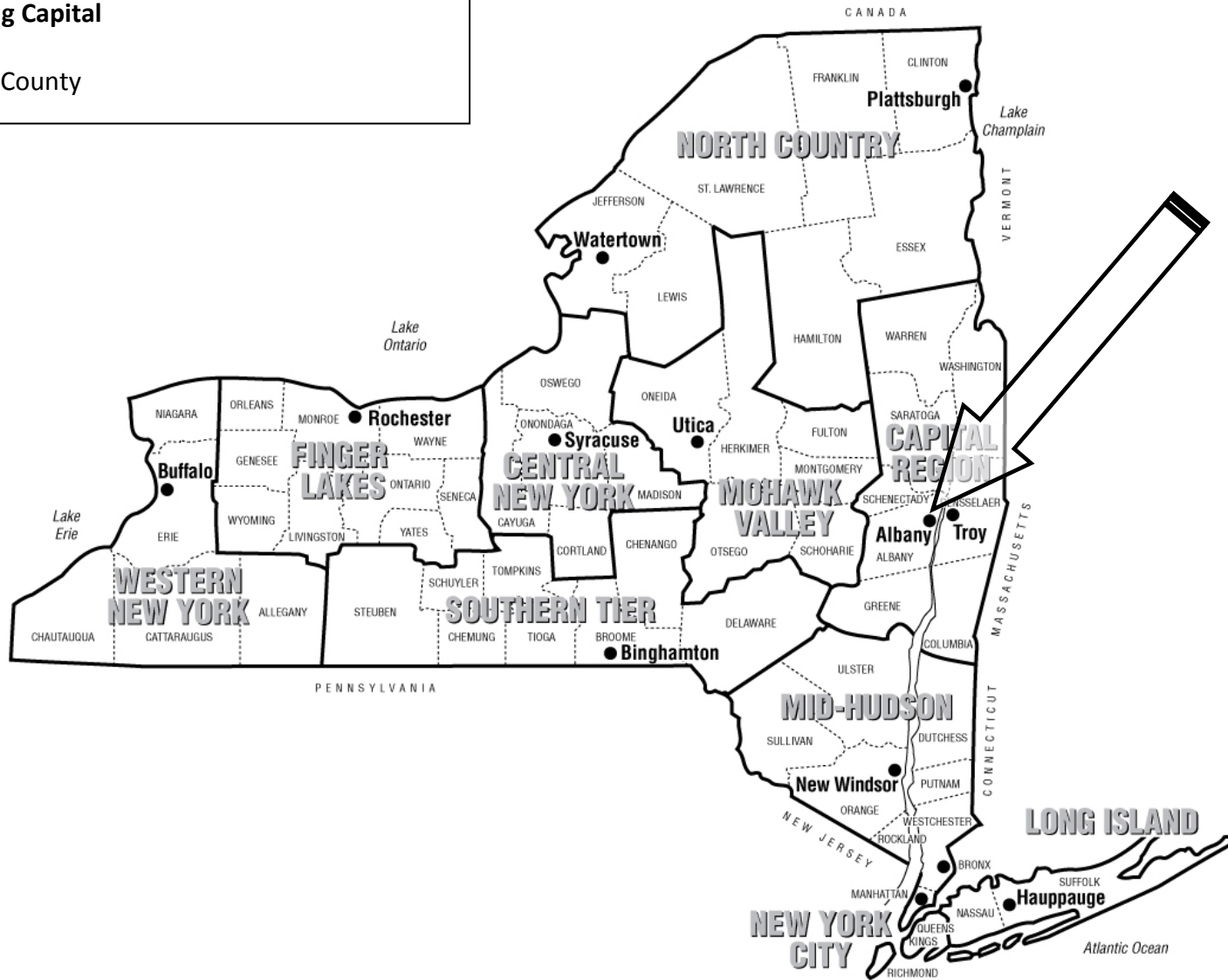
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Fuzehub Commercialization Competition

Working Capital

Albany

Albany County



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Regional Council Award – Bethpage (Long Island Region – Nassau County)
– Grumman Studios Lunar Module Park Capital – Regional Council Capital
Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Adopt the Proposed General Project Plan for the
Purpose of Making a Grant; Authorization to Make a Grant and to Take
Related Actions

ESD Directors' Summary

Lunar Module Park LLC (d/b/a Grumman Studios) is a 30-acre TV and film production studio located in the heart of Long Island's Nassau County. With eight sound stages totaling 190,000-square-feet and over 210,000-square-feet of support space (offices, dressing rooms, etc.), Grumman Studios provides long and short-term set storage, office and rental space, and outdoor space available for construction and parking. In 2015, the Company applied for funding through Round 5 of the Long Island Regional Economic Development ("LIREDC") Consolidated Funding Application ("CFA") process to make upgrades to the electrical, fire alarm and fire sprinkler systems, major resurfacing of the parking lots, and to create hair, makeup and production offices. The results of the project will help Grumman Studios attract new production work providing important secondary jobs employed by production companies and local vendors.

ESD staff signed an Incentive Proposal with Grumman Studios in February 2016 for a grant award totaling \$400,000 to assist in facility upgrades, and the offer was accepted shortly after. Total project costs were \$3,000,000, and the Company invested \$2,600,000 of its own equity. This expansion will also support 6 full time employees at the project location.

Grumman Studios has made the investment, the upgrades to the studio are now complete, and 6 full time employees are at the project site. Because the Company has satisfied its obligations under the Incentive Proposal, ESD is now recommending that the Board authorize the release of funds for this project.

General Project Plan

I. Project Summary

Grantee: Lunar Module Park LLC (“Grumman Studios” or the “Company”)

ESD* Investment: A grant of up to \$400,000 to be used for a portion of the cost of facility upgrades

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 500 Grumman Road West, Bethpage, Nassau County

Proposed Project: Expansion and improvement of movie studio sound stages and site infrastructure

Project Type: Business expansion involving job retention and creation

Regional Council: The project is consistent with the Long Island Regional Economic Development Council Plan to bolster the entertainment industry cluster and help establish Long Island as a pipeline for talent and entertainment hub.

Employment: Initial employment at time of ESD Incentive Proposal: 0
Current employment level: 6
Minimum employment on January 1, 2026: 6

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction/Electric Upgrades	<u>3,000,000</u>	
Total Project Costs	<u>\$3,000,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$400,000	13%
Company Equity	<u>2,600,000</u>	<u>87%</u>
Total Project Financing	<u>\$3,000,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: TV and motion picture production studio

Company History: Grumman Studios was founded in 2008. The Studio sits on a 30-acre site where the Apollo Lunar Modules that placed man on the moon were first developed. Located in the heart of Long Island's Nassau County, and just a short ride from New York City, Grumman has hosted some of New York's biggest productions, including films such as: *Salt*, *The Amazing Spider-Man 2*, and *The Sound of Music Live*. Grumman Studios has also partnered with several major streaming production companies, including Apple TV and Netflix.

Ownership: Grumman Studios is a privately owned limited liability company.

Size: All facilities are located in Bethpage, NY.

Market: Grumman Studios provides studio space to both large- and small-scale film, TV, and commercial productions.

ESD Involvement: Facility upgrades were needed at Grumman Studios to expand industry investment in film and television productions that increasingly require enhanced studio space and equipment to film. This project helped fund major overhauls to the infrastructure of the studio's eight sound stages.

In July 2015, Grumman Studios applied for funding assistance to close a gap in its project budget under Round 5 of the Long Island Regional Economic Development Council's Consolidated Funding Application. The Company was awarded a \$400,000 capital grant to assist with the cost of the project. Without ESD's assistance, this project would not have been feasible.

Competition: Main competitors include studios in Hollywood, CA.

Past ESD Support: Funding for the past five years, totaling \$250,000, to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval Date)	Date End (Project Completion: Contract Expiration)	Purpose
Empire State Economic Development Fund	AA191	\$250,000	March 24, 2016	December 2016	Capital - Improvements to soundstages and electric infrastructure

B. The Project

Completion: December 2021

Activity: This project included major overhauls to the infrastructure of six of the eight sound stages at Grumman Studios. The work included major upgrades to the electrical, fire alarm and fire sprinkler systems, major resurfacing of the parking lots, and the creation of hair, makeup and production offices to better attract shows and production to the studios. These upgrades were also needed to accommodate shows that have live audiences.

Results: Several productions have been attracted to Grumman Studios because of the project. Additionally, the Company has met its job commitment, having created 6 new jobs.

Business Investment
Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$433,821;
- Fiscal cost to NYS government is estimated at \$400,000;
- Project cost to NYS government per direct job is \$81,871;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$39,952;
- Ratio of project fiscal benefits to costs to NYS government is 1.08:1;
- Fiscal benefits to all governments (state and local) are estimated at \$820,699;
- Fiscal cost to all governments is \$400,000;
- All government cost per direct job is \$81,871;
- All government cost per total job is \$39,952;
- The fiscal benefit to cost ratio for all governments is 2.05:1;

- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$5,685,090, or \$567,821 per job (direct and indirect);
- The economic benefit to cost ratio is 14.21:1;
- Project construction cost is \$3,000,000, which is expected to generate 20 direct job years and 14 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.09 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is six years.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Parviz Farahzad, Member
1113 North Country Rd, Bldg. 2
Stony Brook, NY 11790
Phone: (631) 689-1985
E-mail: parviz@grummanstudios.com

ESD Project No.: AA410

Project Team:	Origination	Barry Greenspan
	Project Management	Scott Lamkin
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Kayla Biles
	Environmental	Eram Qadri

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$400,000 capital grant (\$4,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-

time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to \$400,000 will be disbursed to Grantee in lump sum upon documentation of facility upgrades and construction project costs totaling \$3,000,000, upon completion of the project substantially as described in these materials as evidenced by a Certificate of Occupancy, and documentation of the employment of at least 6 Full-time Permanent Employees on the recipient's payroll at the Project Location, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 15, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2025.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$400,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;

- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	0
A	B
Reporting Date	Employment Goals
February 1, 2024	6
February 1, 2025	6
February 1, 2026	6

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2020-2021, 2021-2022 and 2022-2023 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

Regional Council Award – Bethpage (Long Island Region – Nassau County) – Grumman Studios Lunar Module Park Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Grumman Studios Lunar Module Park Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Grumman Studios a grant for a total amount not to exceed Four Hundred Thousand Dollars (\$400,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any

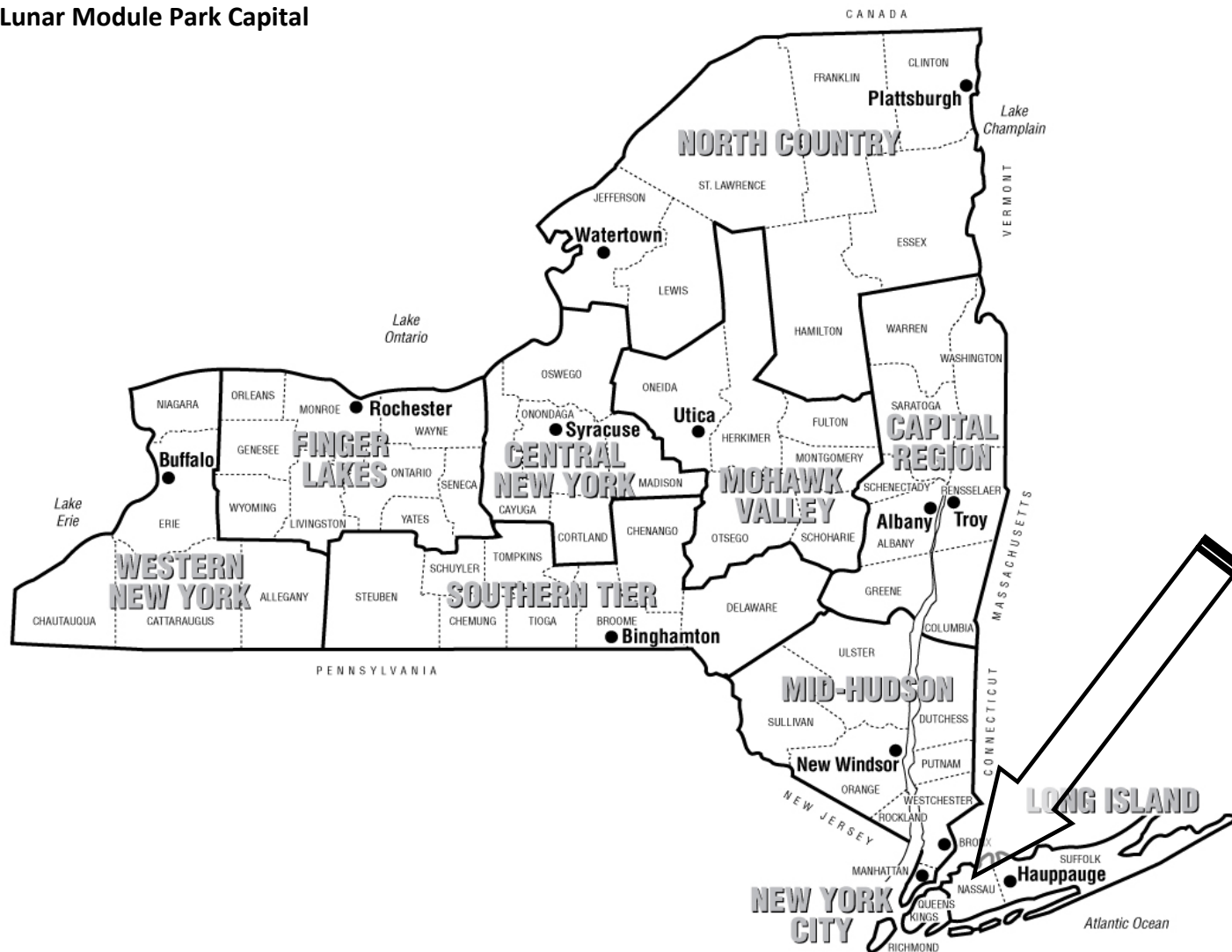
and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Grumman Studios Lunar Module Park Capital

Bethpage

Nassau County



Project Summary

Benefit-Cost Evaluation¹

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	0	Construction Job Years (Direct):	20
New Jobs:	6 over three years	Construction Job Years (Indirect):	14

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs ³	\$400,000	\$794,250	\$400,000	\$1,020,500
Fiscal Benefits ⁴	\$433,821	\$2,085,600	\$820,699	\$4,271,980
Fiscal Cost /Direct Job	\$81,871	\$3,000	\$81,871	\$4,110
Fiscal Cost/Total Jobs	\$39,952	\$1,424	\$39,952	\$1,964
Fiscal B/C Ratio	1.08	7.00	2.05	10.60
	Project Results	Benchmarks		
Economic Benefits ⁵	\$5,685,090	\$119,468,000		
Econ. Benefits/Total Jobs	\$567,821	\$147,600		
Economic B/C Ratio	14.21	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

Grumman Studios Lunar Module Park Capital



Grumman Studios Lunar Module Park Capital



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Jericho (Long Island Region – Nassau County) – 1-800-FLOWERS.COM, Inc. – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

ESD Directors' Summary

1-800-FLOWERS.COM is the largest provider of gourmet food and floral gifts, with a market share of approximately 26.5% as of November 2021. 1-800-Flowers's top competitors include American Greetings, Kirkland's, Teleflora, FTD Companies and Michaels. ESD made an offer to the company in February of 2020 and was accepted in March of 2020. The company has completed renovations at its new headquarters at 2 Jericho Plaza in Jericho and has purchased a variety of new equipment, technology, furniture, and fixtures. Total project costs are \$10,862,000 and Company equity is \$9,862,000. The Company has exceeded its employment requirement of 357 Full-time Permanent Employees, having created 417 new jobs. Since the Company has met the requirements for disbursement set out in the Incentive Proposal, ESD is requesting that the Board approve disbursement of the grant.

General Project Plan

I. Project Summary

Grantee: 1-800-FLOWERS.COM, Inc. (the "Company")

ESD* Investment: A grant of up to \$1,000,000 to be used for a portion of the cost of renovations and the purchase of equipment, furniture and fixtures.

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")

Project Location: 2 Jericho Plaza, Jericho, Nassau County

Proposed Project: Investment in current facility to include construction costs and purchase of fixtures, furniture and equipment

Project Type: Business expansion involving job retention and creation

Regional Council: The Long Island Regional Economic Development Council has been made aware of this item. The project is consistent with the Long Island Regional Economic Development Council's Plan for growing on innovation economy, supporting the back-office sector within the region while retaining and attracting high paying jobs.

Employment:

Initial employment at the Project Location (at time of ESD Incentive Proposal):	0
Employment at all NYS Locations (at time of ESD Incentive Proposal):	357
Current employment level at the Project Location:	441
Current employment level at all NYS locations	479*
Minimum employment on January 1, 2024:	357

*This statewide employment total includes 441 at the Project Location plus 38 at other NY locations.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
HQ renovation & Fit out	<u>\$10,861,459</u>	
Total Project Costs	<u>\$10,861,459</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,000,000	9%
Company Equity	<u>\$9,861,459</u>	<u>91%</u>
Total Project Financing	<u>\$10,861,459</u>	<u>100%</u>

III. Project Description

A. Company

Industry: The Company's industry is Corporate Back- Office Operations for retailer of gourmet foods and floral gifts.

1-800-FLOWERS.COM, Inc. is a leading provider of gifts designed to help

customers express, connect and celebrate. The Company operates in three business segments: Consumer Floral & Gifts, Gourmet Foods & Gift Baskets, and BloomNet. 1-800-FLOWERS.COM, Inc., together with its subsidiaries, provides gifts for various occasions in the United States and internationally. It operates through three segments: Consumer Floral & Gifts, Gourmet Foods & Gift Baskets, and BloomNet. The company offers a range of products, including fresh-cut flowers, floral and fruit arrangements, plants, personalized products, dipped berries, popcorns, gourmet foods and gift baskets, cookies, chocolates, candies, wines, and gift-quality fruits. It offers its products and services through online platform under the 1-800-FLOWERS.COM, 1-800-Baskets.com, Cheryl's Cookies, FruitBouquets.com, Harry & David, Moose Munch, The Popcorn Factory, Wolferman's Bakery, PersonalizationMall.com, Simply Chocolate, DesignPac, Stock Yards, Shari's Berries, BloomNet, Napco, and Flowerama brand names.

Company History:	The Company was founded in 1976 when Jim McCann purchased his first retail floral shop in Manhattan. In 1976, the company acquired the 1-800-Flowers phone number and subsequently renamed itself after the phone number. The 1-800-FLOWERS.COM website went live in 1995. The company renamed itself 1-800-FLOWERS.COM, Inc. in conjunction with its public stock offering in 1999. In the 2000s, 1-800-FLOWERS.COM, Inc. began to expand product offerings to fulfill more of its customers gifting needs. In the 2010s, the company continued its history of innovation, offering customers a seamless shopping experience across multiple digital and voice platforms.
Ownership:	The Company is publicly traded (NASDAQ: FLWS).
Size:	The Company's 2021 revenue was more than \$2.1 billion. Corporate HQ facility located in Jericho, Nassau County NY.
Market:	1-800-FLOWERS.COM is the largest provider of gourmet food and floral gifts, with a market share of approximately 26.5% as of November 2021.
ESD Involvement:	The Company first approached ESD in 2017 and original IP was issued in 2018. The original location for their space did not go forward and a subsequent search for a facility ended up with the Jericho location being chosen. ESD offered 1-800-FLOWERS.COM, Inc. a financial package consisting of a grant of \$1,000,000 and Excelsior Jobs Program Tax credits of \$1,000,000 in February of 2020, to assist with its job creation project in Jericho, Nassau County.
Competition:	The Company's top competitors include American Greetings, Kirkland's, Teleflora, FTD Companies and Michaels.

Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: Q4 2022

Activity: The Company has completed renovations at its new headquarters at 2 Jericho Plaza in Jericho and has purchased a variety of new equipment, furniture and fixtures.

Results: Retain 357 jobs. The Company has already met its job retention commitment, having retained 357 jobs.

Business Investment

Project: 1-800-FLOWERS.COM Inc. — Business Investment
Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at 44,292,209;
- Fiscal cost to NYS government is estimated at \$1,726,388;
- Project cost to NYS government per direct job is \$7,542;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$2,360;
- Ratio of project fiscal benefits to costs to NYS government is 25.66:1;
- Fiscal benefits to all governments (state and local) are estimated at \$83,359,050;
- Fiscal cost to all governments is \$1,726,388;
- All government cost per direct job is \$7,542;
- All government cost per total job is \$2,360;
- The fiscal benefit to cost ratio for all governments is 48.29:1;

- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$566,413,643, or \$774,413 per job (direct and indirect);
- The economic benefit to cost ratio is 328.09:1;
- Project construction cost is \$10,861,459, which is expected to generate 68 direct job years and 46 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 2.33 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Brian McGee, Senior Vice President
2 Jericho Plaza
Jericho, New York 11753
Phone: (516) 237-4922
E-mail: bmcgee@1800flowers.com

ESD Project No.: AC561

Project Team:	Origination	Brian Scripture
	Project Management	Marisa Silipo
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Vanusa DeBrito
	Environmental	Eram Quadri

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,000,000 [capital grant or interest subsidy grant] (\$10,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-

time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to \$1,000,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$500,000) upon documentation of project costs totaling \$1,800,000 incurred and recipient paid, including purchase and installation of \$1,250,000 in furniture, fixtures and equipment and upon completion of the project substantially as described in these materials, and documentation of the employment of at least 357 Full-time Permanent Employees, including verification of average annual wages exceeding \$115,000 for those employees at the Project Location. And a certificate of Occupancy, including a copy of the executed lease any other documentation verifying project completion as ESD may require, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to 25% of the grant (\$250,000) no sooner than 12 months after initial disbursement and upon documentation of the employment of at least 357 Full-time Permanent Employees at the Project Location, including verification of average annual wages exceeding \$115,000 for those employees at the Project Location; provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$250,000) no sooner than 24 months after initial disbursement and upon documentation of at least 357 Full-time Permanent Employees, including verification of average annual wages exceeding \$115,000 for these employees at the Project Location, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after March 10, 2020, to be considered eligible project costs. [If included in offer letter:] All disbursements must be requested by April 1, 2023.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment

Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) (of the Employment Goal set forth in Column B (an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12-month period computed by quarter.

Baseline Employment	357
A	B
Reporting Date	Employment Goals
February 1, 2024	357
February 1, 2025	357
February 1, 2026	357
February 1, 2027	357
February 1, 2028	357

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020, 2020-2021, 2021-2022, and 2022-2023 New York State budget. No residential

relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Project Finance Memorandum
Project Photographs

Regional Council Award - Jericho (Long Island Region – Nassau County County) – 1-800-FLOWERS.COM, Inc. – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the 1-800-FLOWERS.COM, Inc. – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to 1-800-FLOWERS.COM, Inc. a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any

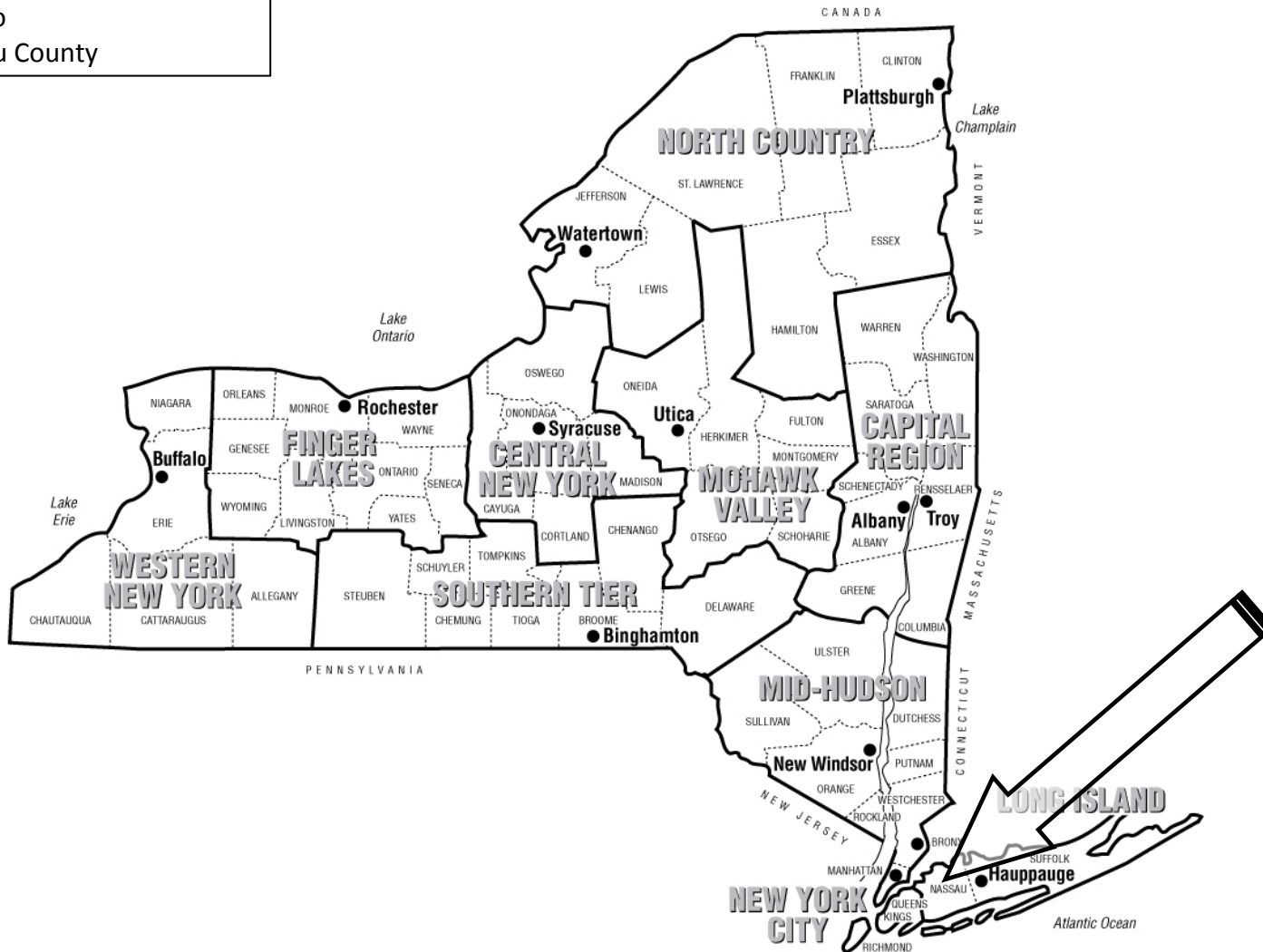
and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

1-800 Flowers, Inc.com

Jericho

Nassau County



Project Summary Benefit-Cost Evaluation¹

1-800-FLOWERS.COM, Inc. – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	357	Construction Job Years (Direct):	68
New Jobs:	52 over four years	Construction Job Years (Indirect):	46

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$1,726,388	\$794,250	\$1,726,388	\$1,020,500
Fiscal Benefits⁴	\$44,292,209	\$2,085,600	\$83,359,050	\$4,271,980
Fiscal Cost /Direct Job	\$7,542	\$3,000	\$7,542	\$4,110
Fiscal Cost/Total Jobs	\$2,360	\$1,424	\$2,360	\$1,964
Fiscal B/C Ratio	25.66	7.00	48.29	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$566,413,643	\$119,468,000		
Econ. Benefits/Total Jobs	\$774,413	\$147,600		
Economic B/C Ratio	328.09	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

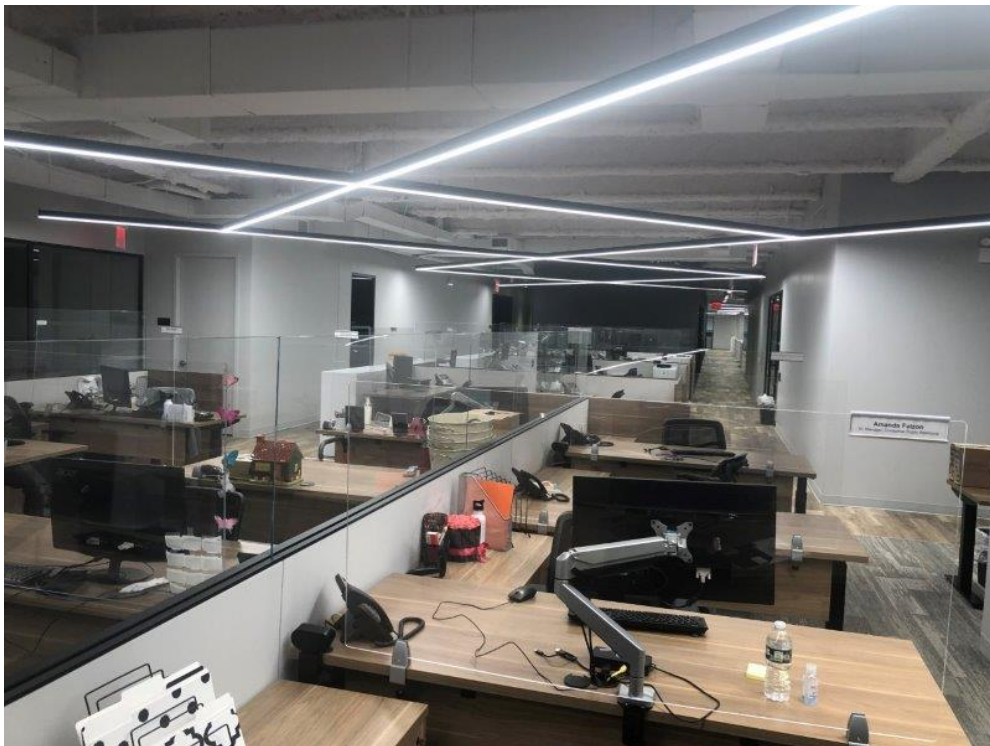
² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

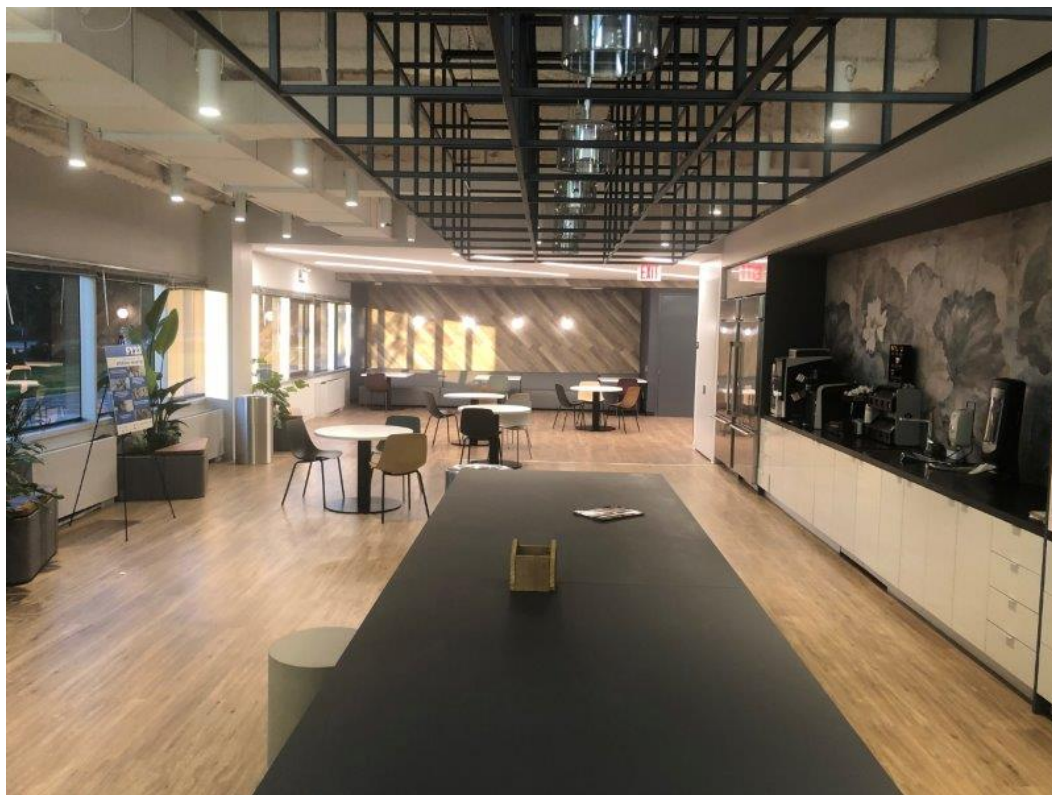
⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

1-800 Flowers.com, Inc. Capital



1-800 Flowers.com, Inc. Capital



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: ATDO (At the Direction Of) Projects

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Adopt the Proposed General Project Plan; Authorization
to Make a Grant and to Take Related Actions

I. ESD Directors' Summary**A. Mohawk Valley EDGE Military Base Retention Capital (Project No. 135,262)**

Mohawk Valley Economic Development Growth Enterprises d/b/a Mohawk Valley EDGE ("MVEDGE" or the "Organization") is a not-for-profit corporation that serves Oneida and Herkimer counties and is focused on attracting new private investment, assisting existing businesses, implementing a global marketing effort to target business attraction and direct foreign investment within the region, along with developing and managing key regionally transformational projects. The Organization also serves as an advocate for pro-business and development initiatives that will help enhance the region's ability to align its development focus that is centered on increasing STEM intensive industry jobs, reclaiming population, building an education and workforce development ecosystem, foster the creation of vibrant communities, and target economic opportunities for hard to place populations. A \$1,000,000 appropriation from the Military Base Redevelopment program was made available at the direction of State Senator Joseph A. Griffo in the FY 2022-2023 New York State budget in the FY 2022-2023 New York State budget.

Empire State Development sent MVEDGE an Invitation to Apply Letter and the Organization submitted an application to ESD in November 2022. The grant funds will be used to install natural gas boilers, engineering activities, and facility improvements to serve the seven GLDC owned office buildings and support salaries and general operations for the CNYDA staff. These project activities were initiated in April 2022 and will continue through March 2025. ESD is recommending that the Board authorize the release of funds to support this project.

Below, is the summary of the project sponsored by the New York State Assembly:

	Project Name	Project #	Grantee	Assistance Up To
	Military Base Redevelopment (Assembly)			
A.	Mohawk Valley EDGE Military Base Retention Capital	135,262	Mohawk Valley Economic Development Growth Enterprises d/b/a Mohawk Valley EDGE	\$1,000,000
	TOTAL ATDO PROJECT – 1		TOTAL	\$1,000,000

II. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or re-appropriated in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

III. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

IV. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

V. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

*New York State Urban Development Corporation d/b/a Empire State Development

VI. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VII. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General (“OAG”), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller (“OSC”) has notified the Corporation that it will review all grant disbursement agreements (“GDAs”) of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund (“007”). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VIII. Additional Submissions to Directors

Resolution
Project Summary
New York State Map

Military Base Redevelopment (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Military Base Redevelopment program Project identified below (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Military Base Redevelopment program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make a grant to the parties and for the amount listed below from Military Base Redevelopment program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) receipt of funds

Military Base Redevelopment – Assembly – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
	Military Base Redevelopment (Assembly)			
A.	Mohawk Valley EDGE Military Base Retention Capital	135,262	Mohawk Valley Economic Development Growth Enterprises d/b/a Mohawk Valley EDGE	\$1,000,000
	TOTAL Military Base PROJECT – 1		TOTAL	\$1,000,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. Mohawk Valley EDGE Military Base Retention Capital (135,262)

February 16, 2023

General Project Plan

Grantee:	Mohawk Valley Economic Development Growth Enterprises d/b/a MV EDGE ("MVEDGE" or the "Organization")
Beneficiaries:	Griffiss Local Development Corporation, d/b/a GLDC ("GLDC") Central New York Defense Alliance LTD, d/b/a CNYDA ("CNYDA")
ESD Investment:	A grant of up to \$1,000,000 to be used for a portion of the cost of infrastructure construction and to promote economic development efforts
Project Location:	Griffiss Business & Technology Park, Rome, Oneida County
Proposed Project:	Installation of high efficiency natural gas boilers, engineering activities, and facility improvements to serve the seven GLDC owned office buildings and support salaries and general operations for the CNYDA staff.
Project Type:	Infrastructure Development
Regional Council:	The Mohawk Valley Regional Economic Development Council has been made aware of this item.

Background:

Industry – Economic Development

Organization History - Mohawk Valley Economic Development Growth Enterprises d/b/a Mohawk Valley EDGE, formed in 1996, is a not-for-profit corporation that serves Oneida and Herkimer counties and is focused on attracting new private investment, assisting existing businesses, implementing a global marketing effort to target business attraction and direct foreign investment within the region, along with developing and managing key regionally transformational projects.

The Organization also serves as an advocate for pro-business and development initiatives that will help enhance the region's ability to align its development focus that is centered on increasing STEM intensive industry jobs, reclaiming population, building an education and workforce development ecosystem, foster the creation of vibrant communities, and target economic opportunities for hard to place populations.

Mohawk Valley EDGE Military Base Retention Capital (135,262)

February 16, 2023

MVEDGE is a single point of economic development within the region that enters into staff service agreements with other economic development organizations such as the GLDC, whereby MVEDGE provides staff support services to GLDC on the transformation of the former Griffiss Air Force Base into the Griffiss Business & Technology Park.

GLDC, a private not-for-profit corporation, is the entity primarily responsible for the redevelopment of the former Griffiss Air Force Base into the Griffiss Business and Technology Park ("GBTP"). Since its formation in 1994, GLDC has developed a considerable amount of expertise in redeveloping facilities in the GBTP, which is now home to 76 businesses employing around 5,800 people.

CNYDA, a not-for-profit organization, was established to support the Mohawk Valley's high-tech defense industries and businesses. CNYDA serves as an advocacy organization to promote activities that would strengthen and enhance the competitive posture of the remaining federal assets that are located and remain at the GBTP (Air Force Research Laboratory's Information Directorate, Eastern Defense Sector, and Defense Accounting Service Center). CNYDA has been involved in working with federal, state and local representatives on the development of the NY UAS Test Site (NYUASTS), Skydome and the development of the Innovare Advancement Center to focus economic development efforts that will strengthen, leverage and enhance the region's technology based economy.

Ownership – MVEDGE is a not-for-profit organization.

Size – All facilities located in Rome, NY.

ESD Involvement - A \$1,000,000 appropriation was included in the 2022-2023 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee, totaling \$1.7 million, is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval Date)	Date End (Project Completion: Contract Expiration)	Purpose
Regional Council Capital Fund	Z800	\$1,000,000	May 18, 2015	February 19, 2019	Capital Grant -Site development of the Marcy Nanocenter at SUNYIT.

Mohawk Valley EDGE Military Base Retention Capital (135,262)

February 16, 2023

Regional Council Capital Fund	Y907	\$700,000	June 23, 2016	December 31, 2023	Capital Grant – Construction of a new sewer crossing of the Erie Cana.
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The Project:

Completion – March 2025

Activity - MVEDGE will undertake infrastructure improvements at the GBTP to replace the aging central steam generation plant that provides heat to seven commercial properties, nearly 200,000 square feet, owned and operated by GLDC. The project started in April 2022 and will be completed in March 2025. Funding will be allocated to the following activities:

- **GLDC Gas Conversion Project**
\$800,000 of the grant will be allocated to the cost to install high efficiency natural gas boilers, engineering activities, and facility improvements to serve all seven GLDC owned commercial office buildings. The project will add an estimated 4,350 feet of natural gas distribution pipe to the existing gas main serving the GBTP.
- **CNYDA Advocacy Activities**
\$200,000 of the grant will be allocated to CNYDA for advocacy, covering the cost of salaries and office expenses for two years for CNYDA staff. The Staff will develop initiatives to strengthen remaining military assets at GBTP that contributes to the high-tech ecosystem.

Results - GBTP is an economic hub for the Mohawk Valley region and a critical component of the drone, cybersecurity, and quantum research corridor in New York. It is essential to provide the appropriate infrastructure and utility services to the businesses in the Park. This project ensures that these properties will have energy efficient and reliable heating systems for decades to come.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Mohawk Valley EDGE Military Base Retention Capital (135,262)

February 16, 2023

Financing Uses	Amount	Financing Sources	Amount	Percent
<u>GLDC</u>		ESD Grant	\$1,000,000	26%
Construction	\$2,772,700	Department of Commerce's Economic Development Adminstration (EDA) - Grant	\$2,580,800	67%
Gas Main Extensions	\$348,000	Griffiss Local Development Corp (GLDC) - Grant	\$273,200	7%
Contingency	\$205,996			
Engineering/Legal/Admin	\$217,986			
Site Work	\$69,318			
Inspection Fee	\$40,000			
	\$3,654,000			
<u>CNYDA</u>				
Salary/Fringe	\$171,000			
Office Supplies	\$1,500			
Marketing/Conference/Travel	\$13,500			
Insurance	\$3,000			
Legal/Accounting/Audit/Bank Fees	\$11,000			
	\$200,000			
Total Project Costs	\$3,854,000	Total Project Financing	\$3,854,000	100%

Grantee Contact -

Steven DiMeo, President
584 Phoenix Drive
Rome, NY 13441
Phone: (315) 338-0393
E-mail: sjdimeo@mvedge.org

Beneficiaries Contact -

Steven DiMeo, Authorized Representative
584 Phoenix Drive
Rome, NY 13441
Phone: (315) 338-0393
E-mail: sjdimeo@mvedge.org

Mary Carol Chruscicki, Executive Director
592 Hangar Road
Rome, NY 13441
Phone: (315) 525-8538
Email: mary.chruscicki@cnydefensealliance.org

Mohawk Valley EDGE Military Base Retention Capital (135,262)

February 16, 2023

<u>Project Team</u> -	Project Management	Arlinda Eggleston
	Contractor & Supplier Diversity	Danielle Adams
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$1,000,000 will be disbursed to Grantee, no more frequently than quarterly, upon documentation of eligible capital expenses, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after April 1, 2022. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Environmental Review:

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Mohawk Valley EDGE Military Base Retention Capital (135,262)

February 16, 2023

Statutory Basis – Local Assistance:

The funding was authorized in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

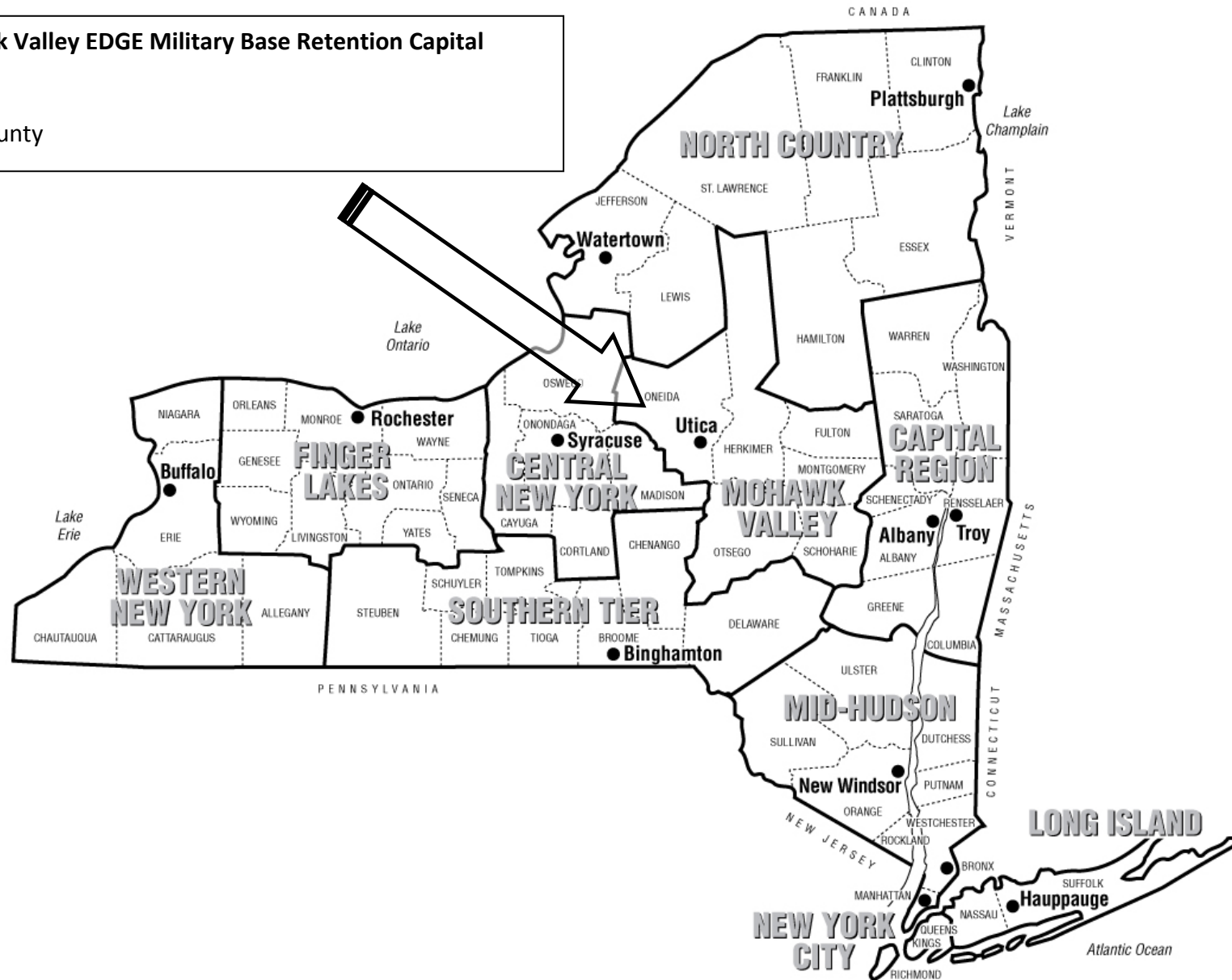
Disclosure and Accountability Certifications:

The Grantee has affirmed under penalty of perjury that neither the Sponsoring Member(s) or any related party to Sponsoring Member(s) has any financial interest, direct or indirect, in the Grantee/Recipient or in any of the Grantee/Recipient's equity owners, or has received or will receive any financial benefit, either directly or indirectly, from the Grantee/Recipient or its related parties.

The Grantee and Beneficiaries have provided ESD with the required Disclosure and Accountability Certifications. Grantee and Beneficiaries' certifications have no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials

ATDO (At The Direction Of) Project - Map

**A. Mohawk Valley EDGE Military Base Retention Capital
(135,262)**
Rome
Oneida County



FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Statewide – Reimagine Workforce Preparation Grant Program

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Grant Funds to Entrepreneurship Assistance Centers and
to Take Related Actions

ESD Directors' Summary

At the April 22, 2021 meeting of the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) Directors, approval was granted for ESD to enter into a Memorandum of Understanding (“MOU”) with New York State Department of Labor (“DOL”) for the U.S. Department of Education’s Reimagine Workforce Preparation Grant Program in the amount of \$3,200,000. Out of this total, \$464,000 was earmarked for personnel expenses to administer, monitor and report on grant activities and the remaining amount of \$2,736,000 was to be equally distributed between four (4) Reimagine Workforce Centers (“RWC”) and twenty-one (21) Entrepreneurship Assistance Centers (“EAC”), with \$1,368,000 going to the separate groups (RWCs and EACs), to provide entrepreneurial training and follow-up support to individuals displaced by COVID-19 and to encourage those individuals to start a business for economic development. ESD was to enter into multi-year agreements of up to three years, starting in October 2020 and ending September 2023 with the RWCs and EACs, but ESD could not execute Grant Disbursement Agreement (GDAs) with the EACs until it had executed an MOU.

In June 2022, ESD learned about the final determination from the NYS DOL on the deliverables required of EACs, which required the EACs to provide 150-hours of training to a total of 2,000 clients throughout the grant period. Given these developments, ESD was not able to proceed with the original project plan due to lack of participation from the EACs. This lack of participation was due to the low amount of funding being offered to each EAC (less than \$66,000), which was far below the operational costs necessary to meet DOL’s required deliverable hours of training. Considering these significant changes, ESD released a Request for Applications (“RFA”) on December 8, 2022, to select four (4) EACs to provide 150-hours of training to 2,000 clients (500 per EAC) with a grant funding amount up to \$342,000 per grantee. Responses to the RFA were due on January 12, 2023. Five (5) responses were received, but two (2) were ineligible as one was a business plan and the other a qualification statement. ESD

staff evaluated and scored the three (3) applications and deemed them eligible for funding. Since ESD must meet the deliverables of the MOU, which is to provide training and follow-up services to 2,000 clients, ESD offered the applicants the opportunity to divide by one-third the remaining 500 clients, or 167 clients each and the \$342,000 in grant funding, or \$114,000 each. URL declined the offer to serve an additional 167 clients or receive additional grant funding, therefore, ESD offered QEDC and SCCC the opportunity to serve an additional 250 clients and receive additional grant funding of \$171,000. ESD will use \$1,368,000 to award QEDC up to \$513,000 to serve 750 clients, SCCC up to \$513,000 to serve 750 clients and ULR up to \$342,000 to serve 500 clients, with 150-hours of training and follow-up services during the 18-month grant period.

I. Project Summary

Grantees:	<p>The following three (3) New York State Entrepreneurship Assistance Centers (“EAC”):</p> <ul style="list-style-type: none"> • Queens Economic Development Corporation (“QEDC”) • Suffolk County Community College (“SCCC”) • Urban League of Rochester (“ULR”)
ESD Investment:	<p>\$1,368,000 in grant funding will be awarded as follows to each EAC over the grant period starting March 1, 2023 and ending September 30, 2024:</p> <ul style="list-style-type: none"> • QEDC grant funding up to \$513,000 • SCCC grant funding up to \$513,000 • ULR grant funding up to \$342,000
Project Locations:	<p>The three (3) EACs are located in the following Regions, but will offer their services to clients outside of their catchment area through remote accessibility.</p> <ul style="list-style-type: none"> • QEDC in the New York City Region • SCCC in the Long Island Region • ULR in the Finger Lakes Region
Proposed Projects:	<p>To support the operations of the EACs to provide entrepreneur training and follow-up support to work individuals displaced by COVID-19 and to encourage them to start a business for economic development.</p>
Regional Council:	<p>The Regional Councils have been made aware of this item.</p>

II. Funding Source

The appropriation is a sub-allocation from the Department of Labor for the U.S. Department of Education’s Reimagine Workforce Preparation Grant Program in the amount of \$3,200,000, of

which, \$1,368,000 will fund the three (3) EACs.

III. Program Description

A. Background

The Coronavirus/COVID-19, which was designated a global pandemic by the World Health Organization, had a devastating impact on the State economy. Many workers were displaced in the workforce because of the COVID-19 pandemic; for example, between March 2020 and August 2020, when DOL applied for this grant, an average of 151,611 individuals per week filed new claims for unemployment insurance. According to the DOL's Division of Research and Statistics, over the course of the year (2020) unemployment claims increased 171%. Many of those displaced are the least financially secure workers in the State.

In response to the workforce crisis brought about by the COVID-19 pandemic, the U.S. Department of Education released a request for proposal seeking programs to retrain displaced workers in the states hit hardest by the pandemic. Led by DOL and the NYS Workforce Investment Board, ESD and fellow grant partners State and City Universities of New York and the 10 Regional Economic Development Councils secured over \$18 million in funding to address upskilling and retraining displaced workers across the State. ESD secured \$3.2 million of this funding to provide entrepreneurial training and follow-up support to individuals displaced by COVID-19 and to encourage those individuals to start a business for economic development.

ESD released a RFA on December 8, 2022, to select four (4) EACs to provide 150-hours of training to 2,000 clients (500 per EAC) with a grant funding amount up to \$342,000 per grantee. Responses to the RFA were due on January 12, 2023. Five (5) responses to the RFA were received, two (2) were ineligible – one was a business plan and the other a qualification statement. A review committee consisting of six (6) reviewers evaluated and scored the three (3) eligible proposals based on the following: organization experience and qualifications providing entrepreneur training and support; project readiness and work/action plan to achieve measurable deliverables and completion; outreach and engagement timeline; planned services and activities; metrics and data tracking; usage of funds; and diversity practices. The scores were tabulated into a scoring matrix to arrive an average score and make an award decision on the applicants that have the capability and capacity to meet the deliverables of the grant.

Since there were only three (3) viable applications and, ESD must meet the deliverables of the MOU, which is to provide training and follow-up services to 2,000 clients, ESD offered the applicants the opportunity to divide by one-third the remaining 500 clients, or 167 clients each and the \$342,000 in grant funding, or \$114,000 each. URL declined the offer to serve an additional 167 clients or receive additional grant funding, therefore, ESD offered QEDC and SCCC the opportunity to serve an additional 250 clients and receive additional grant funding of \$171,000. ESD will use \$1,368,000 to award QEDC up to \$513,000 to serve 750 clients, SCCC up to \$513,000 to serve 750 clients and ULR up to \$342,000 to serve 500 clients, with 150-hours of training and follow-up services during the 18-month grant period.

ESD will leverage this funding by providing basic and advanced entrepreneur training to give displaced individuals the knowledge and ecosystem to start a new venture and begin building back the economy through the services that will be provided by the EACs.

The RWCs portion of this grant program was presented to and approved by the Board of Directors on November 18, 2021. ESD is requesting approval of these three (3) EACs to complete the remaining portion of this grant program.

B. The Grants

ESD will award QEDC up to \$513,000 to serve 750 clients, SCCC up to \$513,000 to serve 750 clients and ULR up to \$342,000 to serve 500 clients with 150-hours of business plan training; basic or specific business topic courses, webinars, workshops and seminars; and follow-up support in the form of one-on-one business counseling, office hours, introductions to relevant resources, mentoring or building mentoring pathways, developing a strategy or roadmap, accessing financing, networking opportunities, and other training courses. The three (3) EACs have the capacity to service clients outside of their catchment area through online training and virtual consultation.

The EACs will be required to submit quarterly reports throughout the grant period and other relevant training data as necessary to show the impact of grant funding.

ESD will enter into 18-month grant agreements with each of the EACs which will start March 1, 2023 and end September 30, 2024.

ESD Project Nos.: 134,326 – Queens Economic Development Corporation (“QEDC”)
 134,328 – Suffolk County Community College (“SCCC”)
 134,330 – Urban League of Rochester (“ULR”)

Project Team:	Origination	Elizabeth Lusskin/Martha Otero
	Program Director	Bette Yee
	Project Manager	Jingshu Zhen/Tanya Orr
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Danielle Adams
	• Project No. 134,326	Danah Alexander
	• Project No. 134,328	Danah Alexander
	• Project No. 134,330	Kelly Forsey
Environmental	Soo Kang	

C. Financial Terms and Conditions

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial conditions prior to disbursement.
2. An advance of up to 30% of the grant will be disbursed to the EAC upon execution of the Grant Disbursement Agreement, assuming that all project approvals have been completed and funds are available. After the initial advance, the remaining 60% of grant funds will be disbursed on a reimbursement basis for eligible expense incurred. The final 10% of grant funds will be disbursed when all requirements have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Corporation and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

This initiative is supported by a federal award, which ESD is authorized to accept pursuant to Section 5(25) of the UDC Act, Chapter 174 of the Laws of 1968, as amended.

V. Environmental Review

ESD staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprise (MWBEs) and Service-Disabled Veteran-owned businesses (SDVOBs) for any contractual opportunities generated in connection with the project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2(m)) to achieve MWBE and SDVOB Participation. Establishment of specific goals related to the total value of ESD's funding is still pending.

VII. ESD Employment Enforcement Policy

ESD Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds.

IX. Additional Submissions to Directors

Resolution

February 16, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Statewide – Reimagine Workforce Preparation Grant Program – Findings and Determinations Pursuant to Sections 10(g) of the Act; Authorization to Grant Funds to Entrepreneurship Assistance Centers and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), relating to the U.S Department of Education’s Reimagine Workforce Preparation Grant program, ESD hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended, that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized to make grants to three (3) Entrepreneurship Assistance Centers for a total amount not to exceed One Million Three Hundred Sixty Eight Thousand Dollars (\$1,368,000) for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of ESD to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: New York State Innovation Venture Capital Fund ("NYSIVCF")

REQUEST FOR: Authorization of an Investment of NYSIVCF Funds in NopSec, Inc.

I. Project Summary

Awardees: NopSec, Inc. ("NopSec" or the "Company")

Amount: Up to \$600,000 in up to \$7,600,000 in Series A Financing

Project Location: New York, NY

Funding Source: The liquid assets held by ESD for NYSIVCF.

ESD Project No.: 135,700

Project Team:

Origination:	Jennifer Tegan
Project Management	Marcia Mitchell
Legal	Carlyne Turner-Beverly
Contractor & Supplier Diversity	Jazmin Thomas
Environmental	Soo Kang

II. Background

Pursuant to Part JJ of Chapter 59 of the Laws of 2013, the NYSIVCF may invest up to \$100 million in eligible seed- and early-stage small businesses located in, or that in writing agree to be located in, New York State that (i) have the potential to generate additional economic activity in the State and (ii) are working in emerging technology fields or are achieving, or have the potential to achieve, technological advances, innovation, transformation or development. The target portfolio companies demonstrate a potential for substantial growth and job development and have the potential to generate additional economic activity in the State.

NYSIVCF also provides funding for the Technology Commercialization Fund which support pre-seed investment opportunities throughout the State. The NYSIVCF is part of a larger equity investment strategy that includes the Innovate NY Fund, a \$45 million fund that invested in seed-stage equity opportunities.

Past State Support for NopSec, Inc.

NopSec has not received NYSIVCF funding.

Company Background

NopSec is a vulnerability management platform that helps cybersecurity professionals effectively manage and prioritize threats and make better informed decisions. Prior to founding the Company, CEO Lisa Xu was the Senior Director of IT risk management at Ally Financial and a Director of IT Risk Advisory at KPMG. In this capacity she designed the cybersecurity program for the business's commercial finance operations in North America and the EU. The Company is based in Brooklyn, NY.

Incident response teams face several fragmented and burdensome manual processes. One of the largest challenges that cybersecurity analysts encounter is the high frequency of warnings that security systems generate. While 81% of companies say threat intelligence is critical to incident response, ingesting this information is time-consuming. 70% of enterprise companies struggle to keep up with the volume of alerts from security analytics systems, which create 11,000 alerts on average every day.

In order to fund its activities over the next 18 months, NopSec is raising \$7.6M in a Series A financing. The NYSIVCF will invest up to \$600,000 into the Series A-3 round extension with the balance being provided by private sector investors led by Blu Venture Investors.

As part of the due diligence process, New York Ventures staff and an external Investment Advisory Committee ("IAC") evaluated the Company's business plan and growth prospects as well as the terms of the investment outlined in Schedule A. As a result of that analysis, NYSIVCF and the IAC both agree that the market opportunity and growth potential offered by NopSec warrants an investment by the Fund and recommend its approval.

III. Statutory Basis

In order to attract private sector investment in new research, translate research into marketable products, strengthen university-industry connections, and prepare New York businesses to compete for private-sector venture investment, Part JJ of Chapter 59 of the Laws of 2013 authorized ESD to establish and administer the NYSIVCF in order to provide critical seed-stage and early-stage funding to incentivize new business formation and growth in the State of New York and facilitate the transition from ideas and research to marketable products.

IV. Environmental Review

ESD staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

V. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses (“MWBs”) in the performance of ESD contracts. The ESD Office of Contractor and Supplier Diversity (“OCS”) has determined that it is not practical or feasible to assign MWBE contract goals to expenditures made under this program. As such, participation goals will not be established or required.

VI. Service-Disabled Veteran-Owned Businesses

Pursuant to New York State Executive Law Article 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified service-disabled veteran-owned businesses (“SDVOBs”) in the performance of ESD contracts. OCS has determined that it is not practical or feasible to assign SDVOB contract goals to expenditures made under this program. As such, participation goals will not be established or required.

Additional Submissions to Directors

Resolutions

Schedule A – Summary of the Investment Terms

February 16, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE
DEVELOPMENT - New York State Innovation Venture Capital Fund ("NYSIVCF") -
Authorization of an Investment of NYSIVCF Funds in NopSec, Inc.

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the New York State Innovation Venture Capital Fund (the "Fund"), the Corporation is authorized to make an investment, in an amount not to exceed \$600,000 in NopSec, Inc. (the "Company") and to enter into agreements and related documentation with the Company and the investment entities named in the Materials in order to effect such investment; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation's investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Schedule A

**New York State Innovation Venture Capital Fund
NopSec, Inc. (the “Company”)
Series A Preferred Financing
ESD Board of Directors’ Meeting
February 16, 2023**

<u>Type of Security:</u>	Series A-3 Preferred Stock
<u>Size of Round:</u>	Up to \$7,600,000
<u>Investment Amount:</u>	The New York State Innovation Venture Capital Fund (“NYSIVC Fund”) will invest up to \$600,000.
<u>Principal Terms:</u>	<ul style="list-style-type: none">• Size of the current offering: \$2,000,000 Series A-3; part of a \$7.6M total Series A fundraise.• Equity Financing and Treatment Upon Liquidity or Dissolution Event – ESD will receive the same finalized terms as the rest of the investors.
<u>Co-Investment Syndicate:</u>	Blu Venture Investors (BVI), is an early-stage venture firm based in Fairfax, VA, focusing on cybersecurity, telecom and B2B SaaS investments.
<u>Use of Proceeds:</u>	Funds will be used solely for working capital requirements of the Company.

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: City of New York (Borough of Brooklyn, Kings County) – Utica Crescent Mixed Use Project (the “Project”) (a Land Use Improvement and Residential Project)

REQUEST FOR: Adoption of Second Modification to the General Project Plan (“Second MGPP”); Affirmation of Determination of No Significant Effect on the Environment; Authorization to Hold a Public Hearing Pursuant to Section 16(2) of the New York State Urban Development Corporation Act (the “UDC Act”); and Authorization to Take All Related Actions

I. PROJECT SYNOPSIS

Name of Project: Utica Crescent Mixed Use Project

Project Location: 832 Rutland Road, Brooklyn, New York 11203
City of New York, Kings County Tax Block 4603, Lot 1 (the “**Project Site**”)

Current Owner: Kingsbrook Jewish Medical Center (“**Kingsbrook**”), an affiliate of One Brooklyn Health System (“OBH”), with an existing mortgage in favor of the Dormitory Authority of the State of New York (“**DASNY**”)

Developer: VB Crescent JV LLC, a joint venture entity formed by CB-Emmanuel Realty LLC, JLJ VB Crescent LLC, and Monadnock Development LLC. (collectively, the “**Developer**”).

ESD Investment: No ESD financing or grants; Developer will pay all ESD third-party costs associated with the Project.

Brief Description: The Project Site is owned by Kingsbrook and currently is used as a surface parking lot that primarily serves the hospital’s employees and staff. ESD, in partnership with New York State Homes and Community Renewal (“**HCR**”), is implementing a redevelopment of the site into an affordable and supportive housing complex with commercial and community facility space.

General Project
Plan (“GPP”):

The GPP initially was adopted by the ESD’s Directors on February 17, 2022. On May 19, 2022, the Directors affirmed a Modified GPP (the “**First MGPP**”), which contains some minor modifications to the initially adopted GPP. A second modification to the GPP (the “**Second MGPP**”), which contains some additional minor revisions as explained below, is hereby being submitted for the Directors’ consideration and affirmation. (A copy of the Second MGPP is annexed hereto as **Exhibit 1.**)

Proposed
Modifications:

It has been determined that a deed restriction dating back to the 1940’s inhibits Developer’s ability to develop a portion of the Project Site in accordance with the current First MGPP. Specifically, the deed contains a restrictive covenant that, among other things, limits development on a portion of the site (the “**Restricted Area**”) to single family dwellings, a use that is inconsistent with the GPP’s plan for constructing multi-unit affordable housing with supportive commercial, health and community facilities at that location. To mitigate this situation, ESD’s Directors are requested to approve additional modifications to the GPP, as specified below (the “**Proposed Modifications**”), to reallocate bulk from the Restricted Area to other parts of the Project Site, thereby preserving the intended unit counts and uses that had been planned for the Development Site as a whole.

II. BACKGROUND AND UPDATE

A. Project Summary

In November 2018, HCR released a Request for Proposals (“**RFP**”) to develop 8 sites in Central Brooklyn with new affordable housing and ancillary facilities to advance the objectives of the Vital Brooklyn Initiative. One of those sites was identified in the RFP as “Site K” and is the Project Site that is the subject of the GPP. See Project Site Location Plan, which is **Exhibit A** to the First MGPP (attached hereto as **Exhibit 1**). ESD and HCR selected the Developer based on the qualifications and experience of the development team and a proposal that both agencies determined to best meet the goals and objectives of the RFP and the Vital Brooklyn Initiative.

The Project will consist of a single building with 2 twelve-story towers. The new development will contain approximately 322 residential units for seniors, formerly homeless persons, low- to moderate- income families, and the building superintendent. The Project also will provide up to 19,000 gsf of community facility space that is anticipated to be operated by a local service provider, up to 24,000 gsf of commercial space, and approximately 10,000 gsf for ambulatory medical facilities and offices. The building will include elevators, laundry rooms, multi-purpose community rooms, exercise and activity rooms, bicycle storage, and free wi-fi for all residents. A

roof-top green space is also planned with an interior roof terrace overlying the first floor between the senior building and the back building. Subsurface parking spaces will be provided below the residential building and on a surface lot on the southernmost portion of the Project Site fronting Utica Avenue. Additional parking spaces will be created by adding stackers to an existing off-site surface lot located at the southern end of the Kingsbrook campus bordering Winthrop Street. Of the approximate total of 314 parking spaces, approximately 284 will be reserved for the use of Kingsbrook employees.

It is expected that all residential units developed as part of the Project will be income-restricted, with units affordable to households earning up to 80 percent of the area median income (“**AMI**”).

To facilitate the Project, and because it is infeasible to construct the Project in accordance with the existing zoning requirements for the Project Site, ESD must override the New York City Zoning Resolution in accordance with the UDC Act and as further discussed in Section VII of the attached Second MGPP. As also discussed in Section VII, the GPP incorporates design controls (“**Design Guidelines**”) that specify the parameters for permitted development of the Project in lieu of zoning or other local laws or requirements that are inconsistent with the Project. A copy of the Design Guidelines is annexed hereto as **Exhibit 2**.

B. Project Site

The Project Site comprises a land area of approximately 61,886 square feet and is currently owned and used as a surface parking lot by Kingsbrook. The Project Site is subject to a mortgage in favor of DASNY, which will release the Project Site from the mortgage prior to the Developer’s acquisition of the site from Kingsbrook.

C. Proposed Modifications to the Project

Building bulk is proposed to be reallocated from the Restricted Area to other parts of the Project Site, resulting in a proposed Site Plan annexed hereto as **Exhibit 3**. The most substantial consequences of the bulk reallocation are an increase in height of the Utica Avenue residential tower from 9 stories to 12 stories, and a change in the surface parking’s access point from Utica Avenue to East 49th Street. The Proposed Revisions will not result in any significant changes to the unit counts and uses that previously had been planned for the Development Site, as shown in the Unit Count and Development Program charts below.

Unit Summary

Unit Type	# of Units & % of Total Project (First MGPP)		# of Units & % of Total Project (Proposed Revisions)	
Studio	52	16%	58	18%
1 Bedroom	163	51%	160	50%
2 Bedroom	84	26%	82	25%
3 Bedroom	21	7%	20	6%
Building Superintendent Unit	2	< 1%	2	< 1%
Total Units /% of Project	322	100%	322	100%

Development Program

Unit Type	Quantity (First MGPP)	Quantity (Proposed Revisions)
Residential	340,000 gsf (maximum)	Same
Commercial	24,000 gsf (maximum) ¹	Same
Medical Facilities & Offices	10,000 gsf (approximate)	Same
Community Facilities	19,000 gsf (maximum) ¹	Same
Cellar Parking	27,121 (approximate)	25,356 gsf (approximate)
Surface Parking	6,967 (approximate)	11,743 gsf (approximate)

¹ESD's Design Guidelines cap the combined amount of commercial and community facility space at 38,000 gsf.

D. ESD Investment

ESD will not be providing any financing or grants for the Project. The Developer will pay all ESD third party costs associated with the Project.

E. Public Benefits

The Project will facilitate the reuse of unused and underutilized property to provide affordable housing to the significantly underserved East Flatbush neighborhood of Central Brooklyn, including supportive housing and housing for senior citizens, and improve wellness and economic opportunities for building residents and the surrounding community. The Project also will improve economic opportunities in Central Brooklyn, an area that has long suffered from disinvestment and marginalization that have hindered the well-being of its residents. The Project will help ameliorate these conditions by creating a health-based community that provides open space and walkable access to on-site and neighborhood commercial destinations. Furthermore, the Project will prevent underutilization of the Project Site, which currently is only used for

surface parking, and provide space for job-creating operations that also will support community health and wellbeing.

F. Project Evaluation

The redevelopment of this underutilized property as a new mixed-use, health-focused community providing affordable and supportive housing will generate long-term economic benefits for the surrounding community and beyond. Real estate initiatives such as this one may not have easily measurable short-term economic benefits, in which case a benefit-cost analysis ("BCA") does not apply.

G. Project Schedule

The closings for title transfer and Project financing are expected to occur in the second quarter of 2023. Developer will commence construction of the Project promptly after the closing, with an anticipated timeframe of twenty-four months to complete construction.

H. Prior ESD Board Actions

On February 17, 2022, the Directors (1) adopted Land Use Improvement Project and Residential Project findings pursuant to Section 10 of the UDC Act; (2) adopted the GPP; (3) determined in accordance with the State Environmental Quality Review Act ("**SEQRA**") that the Project will not have a significant effect on the environment; (4) authorized a public hearing on the GPP; and (5) authorized all related actions. On May 19, 2022, following a public hearing on the GPP on March 21, 2022 and a subsequent 30-day public comment period, the Directors, upon consideration of the public hearing record and materials provided by ESD staff, (1) affirmed the previously adopted findings pursuant to UDC Act; affirmed the First Modification to the GPP; (3) affirmed the prior determination under SEQRA that the Project will not have a significant effect on the environment; and (4) authorized all related actions.

III. SUMMARY OF ESSENTIAL BUSINESS TERMS

A. Property Acquisition

Upon completion of the UDC Act processes and Developer's execution of a development agreement with HCR and financing agreements with lenders, Developer will acquire the Project Site from Kingsbrook.

B. Restrictive Declaration

ESD and the Developer will enter into a restrictive declaration that will be recorded against the Project Site, run with title to the land, and provide enforceable provisions to assure that the Project Site will be developed in accordance with the GPP.

C. Financial Terms

1. Developer will pay Kingsbrook a purchase price for the fee simple interest in the Project Site. The purchase price will be based on a restricted use appraisal and paid on a schedule agreed upon by the Developer, Kingsbrook, and HCR.
2. DASNY will release the Project Site from its mortgage in consideration of the public benefits to be realized from the Project. Because the mortgage covers multiple sites, DASNY has determined that there is sufficient collateral in the remaining properties subject to the mortgage to cover the outstanding balance.
3. Developer will fund all out-of-pocket, third-party expenses incurred by ESD in connection with the Project. Developer has executed a Cost Agreement with ESD committing to fund these expenses and has maintained an imprest account with ESD per the Cost Agreement.
4. The Project will receive public financing through HCR.

Additional business terms can be found in **Section V** of the Second MGPP.

IV. UDC ACT SECTION 10(c), 10(a) and 10(g) FINDINGS

The Proposed Modifications do not require any changes to the findings pursuant to Sections 10(c), 10(a) and 10(g) of the UDC Act, which previously were approved by ESD's Directors and are set forth in **Section VI** of the Second MGPP (attached hereto as **Exhibit 1**).

V. ZONING OVERRIDES AND DESIGN GUIDELINES

In order to implement the Project, ESD will override the New York City Zoning Resolution and other local laws and requirements, as applicable, in accordance with the UDC Act and establish Design Guidelines for the Project that will apply in lieu of zoning and other local laws and requirements. (See **Exhibit 2** hereto.)

The Design Guidelines will govern development of the Project Site including site planning, land uses and densities, and will establish design controls for the Project's buildings, open space and other features. All components will be consistent with the Project's goals and objectives while being similar to, and compatible with, the uses in the surrounding neighborhood.

The City, through the Department of City Planning ("**DCP**"), has been advised of and has provided input on the Project, pursuant to UDC Act Section 16(1), and has submitted a letter of support for the Project.

VI. PUBLIC REVIEW AND COMMENT ON THE SECOND MGPP

ESD staff recommends that the Directors authorize a public hearing pursuant to Section 16(2) of the UDC Act to describe the Proposed Modifications and to receive public comment. If any negative comments on the Proposed Modifications are received at the hearing or during the subsequent 30-day comment period, ESD staff will so advise the Directors, address such comments, and request any approvals associated with the Second MGPP, if required.

VII. ENVIRONMENTAL REVIEW

HCR is the SEQRA lead agency for the Project and ESD, as an involved agency, has engaged with HCR in a coordinated environmental review in accordance with SEQRA. HCR and ESD have reviewed an Environmental Assessment (“EA”), which concluded that the Project will not have any significant adverse environmental impacts and as a result, an Environmental Impact Statement need not be prepared. HCR issued a Negative Declaration on January 27, 2022 determining that the Project will not have any significant adverse impacts on the environment, and ESD, as an involved agency, made a Determination of No Significant Effect on the Environment that the Directors approved on February 17, 2022.

The modifications associated with the First MGPP (involving increases to the residential, community facility and commercial floor area) were determined by HCR and ESD to have no significant effect on the environment, and based on the recommendation of ESD staff, the Directors affirmed ESD’s Determination of No Significant Effect on the Environment on May 19, 2022.

The Proposed Modifications that are the subject of the Second MGPP, involving minor bulk reallocation and changes to the Project’s unit mix, surface parking’s access point, and the amount of surface and subsurface parking, all as described in **Section II.C.** above, have been analyzed in a Technical Memorandum (“Tech Memo”), dated January 12, 2023, that has been reviewed by HCR. This review resulted in HCR reaffirming on January 23, 2023 that the Project would continue to not have a significant effect on the environment. ESD staff reviewed the Tech Memo and concurs with that determination, and therefore, requests the Directors to affirm the Determination of No Significant Effect on the Environment.

VIII. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY

HCR’s Office of Economic Opportunity & Partnership Development will be the central entity managing compliance of goals on this project related to utilization of Minority and Woman-Owned Business Enterprises (“MWBE”) and Service-Disabled Veteran-Owned Businesses (“SDVOB”). Additional details can be found in **Section IX** of the Second MGPP.

IX. REQUESTED ACTIONS

For all the foregoing reasons, the Directors are requested to: (a) adopt the Second Modification to the GPP as described herein; (b) authorize a public hearing pursuant to the UDC Act and other applicable law to review the Proposed Modifications that are incorporated into the Second MGPP; (c) based on the recommendation of ESD staff, affirm a Determination of No Significant Effect on the Environment for the Project in accordance with SEQRA; and (d) authorize all related actions.

X. RECOMMENDATION

Based on the foregoing, approval of the requested actions hereby is recommended.

XI. ATTACHMENTS

Resolutions

- Exhibit 1: Second Modification to the General Project Plan
- Exhibit 2: Design Guidelines
- Exhibit 3: Proposed Site Plan under Second Modification to the General Project Plan

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – City of New York (Borough of Brooklyn, Kings County) – Utica Crescent Mixed Use Project (a Land Use Improvement and Residential Project) – Adoption of Second Modification to the General Project Plan; Affirmation of Determination of No Significant Effect on the Environment; Authorization to Hold a Public Hearing Pursuant to Section 16(2) of the New York State Urban Development Corporation Act (the “UDC Act”); and Authorization to Take All Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which materials hereby is ordered filed with the records of the Corporation (the “Materials”) regarding the General Project Plan (“GPP”) for the Utica Crescent Mixed Use Project (the “Project”), a Land Use Improvement and Residential Project under the UDC Act, and after due consideration of other findings, statements of facts and conclusions, and other determinations made previously and herein by the Corporation, the Corporation hereby makes the following resolutions:

RESOLVED, that the Corporation does hereby adopt, for purposes of the public hearing required by the UDC Act, and as may be required by or appropriate to other applicable laws, the proposed Second Modification to the GPP for the Project (the “Second MGPP”) as set forth in the Materials, together with such other changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Second MGPP, together with such changes, is hereby ordered filed with the recent record of the Corporation; and be it further

RESOLVED, that on the basis of the Materials and the recommendation of ESD staff, the Corporation hereby affirms that the Project, inclusive of the proposed modifications thereto that are set forth in the Second MGPP, will continue to not have a significant effect on the environment; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation, or her designee(s), be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to take such actions as may be considered necessary or appropriate in connection with holding a public hearing on the proposed Second MGPP as required pursuant to Section 16 of the UDC Act and other applicable law, including without limitation, the providing, filing or making available copies of the Second MGPP or a digest thereof and the findings required by Section 10 of the UDC Act regarding to the Project, the fixing of a date for such hearing, the publication of a notice relating to the Second MGPP and such hearing in accordance with the UDC Act, other applicable law, and the procedures heretofore approved by the Corporation with respect to similar hearings, and if any negative comment is received at the public hearing or during the subsequent public comment period, the making of a report to the Directors on such hearing and comments received; and be it further

RESOLVED, that the Second MGPP shall not be final until action is taken by ESD as provided in the UDC Act and until such time as all requirements of the UDC Act and other applicable law in connection therewith have been satisfied; and be it further

RESOLVED, that the President and Chief Executive Officer, or her designee(s), be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be considered necessary or appropriate in connection with carrying out the Project and to effectuate the foregoing resolutions, and that any and all actions previously taken by such officers consistent with the authorizations herein, are hereby ratified and confirmed.

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**New York State Urban Development Corporation
d/b/a Empire State Development**

**UTICA CRESCENT MIXED USE PROJECT
(Land Use Improvement and Residential Project)**

General Project Plan

Adopted February 17, 2022

Affirmed as Modified May 19, 2022

Second Modification February 16, 2023 [Draft]

I. BACKGROUND

The New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD") adopts this General Project Plan ("GPP") for the proposed Utica Crescent Mixed Use Project (the "Project"), a Land Use Improvement and Residential Project that ESD, in collaboration with New York State Homes and Community Renewal ("HCR"), is sponsoring pursuant to the New York State Urban Development Corporation Act (the "UDC Act").

The Project is part of the State of New York's Vital Brooklyn Initiative, a comprehensive community development initiative that addresses chronic social, economic, and health disparities in Central Brooklyn, one of the most underserved areas in the State. The Vital Brooklyn Initiative is a model for community development and wellness, breaking down barriers to health and well-being through eight integrated areas of investment: open space and recreation; healthy food; education; economic empowerment; community-based violence prevention; community-based health care; affordable housing; and resiliency. This targeted initiative leverages State programs and resources to empower New Yorkers in Central Brooklyn to improve their well-being.

The Project involves the redevelopment of an approximately 61,886 square foot site located at 832 Rutland Road, Brooklyn, New York 11203, and shown on the current Kings County Tax Map as Block 4603, Lot 1 (the "Project Site" or "Site"). The Project Site is currently owned in fee by Kingsbrook Jewish Medical Center ("Kingsbrook"), an affiliate of One Brooklyn Health System ("OBH") and is subject to a mortgage in favor of the Dormitory Authority of the State of New York ("DASNY"). The Project Site is currently used as a surface parking lot by Kingsbrook.

In November 2018, HCR released a Request for Proposals ("RFP") to develop eight (8) sites in Central Brooklyn with new affordable housing and ancillary facilities to advance the objectives of the Vital Brooklyn Initiative. The Project Site was identified as "Site K" in the RFP. Among other things, the RFP envisioned that the selected developer would purchase the Project Site and that the proposed development would be implemented through ESD's overrides of existing zoning, as authorized under the UDC Act, to the extent necessary to support the Project. In July 2020, ESD, in partnership with HCR, selected the following entity as the conditionally designated developer (the "Developer") for the Project: VB Crescent JV LLC, a joint venture entity consisting of CB VB Crescent JV LLC (to-be-formed), an affiliate of CB-Emmanuel Realty LLC, and Monadnock VB

Crescent JV LLC, an affiliate of Monadnock Development LLC. The Developer, through one or more single purpose entities, proposes to acquire fee title to the Project Site and to construct new affordable housing, supportive housing, commercial space, and community facility space, as more fully described below in **Section III, “Project Description”**.

II. LOCATION AND DESCRIPTION OF THE PROJECT SITE

The Project Site, consisting of approximately 61,886 square feet of land area that is currently used as a surface parking lot for Kingsbrook, is located at 832 Rutland Road, Brooklyn, New York 11203 in Brooklyn Community District 9 and is identified on the current Kings County Tax Map as Block 4603, Lot 1. The Project Site is bounded by Utica Avenue to the east, East 49th Street to the west, and Rutland Road to the north. Adjacent to the Project Site on the northeast is a one-story gas station; to the east across Utica Avenue are one- to three-story commercial storefronts and a church. Adjacent to the Site south is a church, several retail businesses, and approximately two dozen two-story row homes fronting East 49th Street. To the west of the Site across East 49th Street are the Kingsbrook Jewish Medical Center and the future location of an additional Vital Brooklyn development made up of four combined RFP sites and known as EFGH (a collective reference to HCR’s designation for each constituent parcel in the assemblage). *See Project Site Location Plan* annexed hereto as Exhibit A.

The Project Site is located in the East Flatbush section of Central Brooklyn, a residential neighborhood with a diverse population. The neighborhood is bounded by Empire Boulevard and East New York Avenue on the north, Rogers Avenue on the west, Avenue H on the south, and Rockaway Parkway on the east. The Site is near the East Flatbush/Crown Heights border and situated among the neighborhood’s medical institutions. Most of East Flatbush is comprised of single and multifamily housing, with some commercial and light industrial uses found on the southern border. More than 30% of East Flatbush residents spend more than half of their monthly gross income on rent, demonstrating the need for affordable housing in the neighborhood.¹

III. PROJECT DESCRIPTION

The Project will be a 100% affordable housing development serving low-income families and individuals, including elderly/frail seniors, with a focus on promoting the health and well-being of all its residents. The Project will consist of the following elements:

- Two residential towers with a total of approximately 322 affordable housing units, approximately 89 of which will be elderly/frail senior units funded by the NYS Empire State Supportive Housing Initiative (“ESSHI”) program;
- Up to 24,000 gsf of commercial space;

¹ Reference: “*State of the City 2020: East Flatbush*” (report by the NYU Furman Center, citing 2019 data).

- Up to 19,000 gsf of community facility space anticipated to be operated by a local provider (with total combined commercial and community facility space capped at 38,000 gsf);
- Approximately 10,000 sf of space for an OBH ambulatory health center;
- Parking for approximately 317 vehicles, approximately 284 of which will be reserved for use by Kingsbrook employees²;
- Indoor and outdoor amenities for the residents of the building with active, landscaped zones on multiple levels, including approximately 12,639 sf for a landscaped courtyard between the two towers and approximately 7,922 sf for two landscaped rooftop terraces; and
- Free building-wide wireless internet and implementation of smart building technology.

All of the estimated 322 residential units within the Project are anticipated to qualify for Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code. The anticipated residential unit mix is shown in the chart below and will conform to any other set-asides that may be required by HCR and/or the New York City Department of Housing Preservation and Development.

Unit Summary

Unit Type	# of Units	% of Total Project
Studio	58	18%
1 Bedroom	160	50%
2 Bedroom	82	25%
3 Bedroom	20	6%
Building Superintendent Unit	2	< 1%
Total Units	322	100%

The development program for the Project Site, with the anticipated mix of uses and gross square footage for each use, is shown in the chart below.

Development Program

Unit Type	Quantity
Residential	340,000 gsf (maximum)
Commercial	24,000 gsf (maximum) ³
Medical Facilities & Offices	10,000 gsf (approximate)
Community Facilities	19,000 gsf (maximum) ³

² Approximately 53 subsurface parking spaces will be provided below the residential buildings and approximately 39 more spaces will be provided on a surface lot on the southernmost portion of the site fronting Utica Avenue. The remaining balance of up to 225 parking spaces will be created by adding stackers to an existing surface lot (referred to as the Briger Lot) located at the southern end of the Kingsbrook campus bordering Winthrop Street. See **Exhibit A: Project Site Plan** for more details.

³ ESD's Design Guidelines cap the combined amount of commercial and community facility space at 38,000 gsf.

Cellar Parking	25,356 gsf (approximate)
Surface Parking	11,743 gsf (approximate)

To facilitate the Project, ESD will override the New York City Zoning Resolution, and other local laws and requirements as applicable, in accordance with the UDC Act and as further discussed in **Section VII** below. As also discussed in **Section VII**, the GPP incorporates design controls (“**Design Guidelines**”) that specify the parameters for permitted development of the Project in lieu of zoning or other local laws or requirements that are inconsistent with the Project.

As further described in **Section VIII** below, the Project requires discretionary approvals subject to environmental review under the State Environmental Quality Review Act (“SEQRA”) and its implementing regulations set forth in 6 NYCRR Part 617.

IV. PURPOSE AND NEED FOR THE PROJECT

The Project will facilitate the reuse of underutilized property to (i) provide affordable housing to the significantly underserved East Flatbush neighborhood of Central Brooklyn, including supportive housing; and (ii) improve wellness and well-being for Utica Crescent residents and the surrounding community. As part of the Vital Brooklyn Initiative, the Project will leverage State programs and resources to improve individual, family and community wellness and health. The Project will also improve economic opportunities in Central Brooklyn, an area of New York State that has long suffered from disinvestment and marginalization that have hindered the well-being of its residents. Residents experience measurably higher rates of health problems, limited access to healthy foods or opportunities for active recreation, and high rates of violence and crime. The Project will help ameliorate these conditions by creating a health-based community that will provide open space and other recreational, wellness, and social service amenities.

The Project will provide multiple public benefits, including but not limited to:

A. Elimination of Substandard/Insanitary Conditions (as defined by the UDC Act)

Absent a project to use the property, the Project Site would remain largely vacant and underutilized. Such conditions would hamper or impede sound economic growth and development and impair or arrest the sound growth of the area surrounding the Project Site. The Project will eliminate substandard and insanitary conditions at the Project Site and/or the proliferation of any such conditions in the future. The ground floor spaces along Utica Avenue will be vibrant and activate the sidewalk along this portion of the Utica Avenue corridor, creating a safe and inviting streetscape where a parking lot surrounded by a barbed wire fence exists today.

B. Economic Development, Job Retention and Creation

The Developer intends to execute a comprehensive local economic development plan, through partnerships with City and community organizations. This includes targeted marketing of employment opportunities; providing construction job training; and working with the NYC

Economic Development Corporation, the NYC Department of Small Business Services, and other local organizations with the goal of hiring and retaining local residents. The Project is expected to directly create approximately 825 construction jobs and 114 permanent jobs.

C. Affordable Housing

The Project will facilitate the construction of affordable and supportive housing in East Flatbush, including housing for senior citizens, in a significantly underserved portion of Central Brooklyn. The Project will significantly contribute to meeting local demands for quality affordable housing for low-income households and supportive housing for residents who receive publicly funded support and services, as further described in the **Residential Project Findings** portion of **Section VI** below.

D. Features that Serve Healthcare Workers and the East Flatbush Community

In addition to providing affordable housing, the Project will:

- Make the health and well-being of all of the building users a priority by focusing on active and sustainable design with an emphasis on healthy materials;
- Provide a community-based organization with operating space to provide an array of social and human services to a diverse group of target populations including but not limited to seniors, young adults, and individuals experiencing or at risk of homelessness;
- Provide ground floor space for OBH's ambulatory health center; and
- Preserve parking spaces for Kingsbrook Jewish Hospital employees through cellar parking, surface parking, and stacker parking on the Briger Lot.

E. Open Space and Recreation

The Project will create dedicated recreation and exercise facilities for residents, including a full indoor gym and plentiful outdoor space consisting of a large second floor courtyard and landscaped rooftop terraces. These outdoor areas will provide a mix of programmed and flexible spaces, promoting community cohesion and an active lifestyle for its residents.

F. Free Wi-Fi

The Project will provide Wi-Fi in each apartment at no additional charge to tenants, as well as in community rooms and lounges, responding to an unmet need for affordable broadband services and addressing the digital divide.

G. Sustainability

The Project will incorporate a combination of energy efficiency and environmental/community sustainability strategies. The Developer is pursuing Enterprise

Green Communities 2020 certification while meeting the standards of the prescriptive compliance pathway of the U.S. Environmental Protection Agency's ENERGY STAR multifamily high-rise program.

H. Interim construction benefits

Construction of the Project will create direct benefits resulting from expenditures on labor, materials and services, and indirect benefits due to expenditures by material suppliers, construction workers and others engaged in construction of the Project.

The Project will unlock an underutilized site, create much-needed affordable housing, enable productive uses that will benefit the immediate neighborhood, and boost tax revenues (including sales taxes and employee income taxes) that will support the City and State as a whole.

V. **SUMMARY OF ESSENTIAL BUSINESS TERMS**

A. Property Acquisition and Disposition of the Project Site

Developer, through one or more single purpose entities, will acquire title to the Project Site from Kingsbrook upon mutually agreeable terms, and DASNY will release the Project Site from its mortgage notwithstanding the nonpayment of the underlying debt but in furtherance of the Vital Brooklyn Initiative and the Project. Developer will be responsible for all costs of due diligence, site preparation and any and all other preliminary work on the Project Site.

B. Project Financing

Developer will use its best efforts to apply for financing from both private and public sources in such amounts and types as are necessary to develop and construct the Project. HCR will assist with facilitating public financing to support the Project.

C. Use Restrictions

As part of the Project's financing arrangements, HCR will enter into binding agreements with the Developer to assure that the Project is designed, constructed, developed, operated, and maintained in conformity with specified requirements.

D. ESD Project-Related Costs and Expenses

Developer will fund all reasonable, out-of-pocket, third-party expenses incurred by ESD in connection with the Project. Developer has committed to funding these expenses, executed a Cost Agreement with ESD, and deposited funds in an ESD-administered imprest account pursuant to the Cost Agreement as security for payment of these expenses. Developer also will pay to ESD at closing an administrative fee equal to the cost of ESD's reasonable, direct and actual documented staff time on the Project, capped at \$1,000,000.

E. Construction

Developer will commence construction of the Project promptly after the financing closing. The Developer will pursue Enterprise Green Communities Certification for the Project.

VI. UDC ACT SECTION 10(c), 10(a) AND 10(g) FINDINGS; PUBLIC PURPOSE

ESD, pursuant to Section 10 of the UDC Act, makes the findings set forth below:

A. Land Use Improvement Project Findings: UDC Act Section 10(c)

(1) The area in which the Project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.

Considered as a whole, the Project Site is substandard, significantly underutilized and characterized by blighted and substandard conditions or is in danger of becoming a substandard or insanitary area that, without the Project, could impair or arrest the sound growth and development of the East Flatbush section of Brooklyn and surrounding areas of the City. The Project will redevelop the Project Site, which currently is underutilized as a parking lot, into a vibrant affordable housing and mixed-use project that will revitalize the area and provide numerous benefits to its residents and the community as a whole.

(2) The Project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

The Project will be a comprehensive redevelopment initiative that will clear, re-plan, reconstruct, and rehabilitate the Project Site to create a revitalized new affordable and supportive housing community with appurtenant uses that will serve low-income families and individuals, and elderly/frail seniors, with a focus on promoting the health and well-being of all its residents.

(3) The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Project will be constructed by a private developer, and the new residential and appurtenant uses will be operated and managed by private and non-profit entities. The Project has been planned with input from the community and elected officials to ensure that it will be consistent with the needs of the surrounding neighborhoods and the City as a whole.

B. Residential Project Findings: UDC Act Section 10(a)

(1) There exists, in the area in which the project is to be located, or in an area reasonably accessible to such area, a need for safe and sanitary housing accommodations for persons or families of low income, which the operations of private enterprise cannot provide.

There is a dire and well-documented housing crisis in the City of New York, and the Central Brooklyn area in which the Project will be located is particularly underserved with affordable housing. Brooklyn Community Board Nine listed affordable housing foremost among the neighborhood's pressing issues

in its Fiscal Year 2021 Statement of Community District Needs. The Community Board specifically cited the need for senior citizen housing accessible to those living on very low fixed incomes and the concern that new market rate housing was catalyzing displacement.

The private market alone has not been able to meet the need for affordable housing in East Flatbush. Accordingly, governmental entities at all levels must work together to mitigate the shortfall. ESD's collaboration with HCR to implement the Project and other projects proposed under the State's Vital Brooklyn Initiative will help address the need for safe and sanitary housing accommodations for low-income persons and families.

(2) The project has been approved as a project of a housing company pursuant to the provisions of the private housing finance law.

The Project will be owned in fee by an approved housing development fund company created pursuant to Article XI of the N.Y. Private Housing Finance Law and the N.Y. Not-for-Profit Corporation Law.

C. UDC Act Section 10(g)

There is a feasible method for the relocation of families and individuals displaced from the Project area into decent, safe and sanitary dwellings, which are or will be provided in the Project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment.

The Project Site currently is used as a parking lot, and there are no residential occupants on the Site. Consequently, no residential relocation will be required under UDC Act Section 10(g).

VII. ZONING OVERRIDE; APPLICATION OF NEW YORK CITY CONSTRUCTION CODES

In order to implement the Project, ESD will override all inconsistent provisions of the New York City Zoning Resolution in accordance with the UDC Act and implement Design Guidelines, which will act as design controls and govern development of the Project Site in lieu of local zoning. The scope of the Design Guidelines includes site planning; land uses; densities; and design controls for the Project's buildings, open space and other features. The Design Guidelines govern Project elements such as, but not limited to, floor area, use, open space, density, height and setbacks, parking and loading, lighting, signage and street tree planting.

Currently, most of the Project Site is mapped within a R6 medium-density residential zoning district, which allows for a diverse mix of building types. A portion of the Project Site is mapped within a C8-2 general service commercial zoning district, which allows for heavy commercial uses (such as automobile showrooms and repair shops, warehouses, gas stations and car washes) and certain community facilities but does not allow residential housing.

ESD will override local zoning in several respects to facilitate the Project including, but not limited to, maximum allowable base height, building height, yard regulations, residential FAR limits, permitted obstruction restrictions, and prohibitions on residential/commercial space in parts of the

Site where existing zoning does not currently accommodate these uses. Additional overrides will facilitate the inclusion of off-street parking. These zoning overrides will foster development of more affordable housing and other new construction on the Project Site than would be permissible as of right under current zoning. All Project components will be consistent with the Project's goals and objectives while being similar to, and compatible with, the uses in the surrounding neighborhood. The City, through the Department of City Planning, has been advised and has provided input on the proposed overrides, pursuant to UDC Act Section 16(1).

Subject to any applicable zoning overrides implemented by ESD, the New York City Building and Construction Codes will apply to all construction, buildings, structures, and infrastructure to be developed and maintained on the Project Site. The permitting authority for the purposes of the Building Code will be the New York City Department of Buildings.

VIII. ENVIRONMENTAL REVIEW

Pursuant to SEQRA, HCR, as the SEQRA lead agency for the Project, has reviewed an Environmental Assessment ("EA") and a Technical Memorandum ("Tech Memo"), which conclude that the Project will not have any significant adverse environmental impacts and as a result, an Environmental Impact Statement need not be prepared. As the final step in the coordinated SEQRA review process, HCR has issued a Negative Declaration declaring that the Project will not have any significant adverse impacts on the environment and ESD, as an involved agency, has made a Determination of No Significant Effect on the Environment based on HCR's declaration and ESD's review of the EA and Tech Memo. Consequently, no further environmental review will be required.

IX. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY REQUIREMENTS

HCR's Office of Economic Opportunity & Partnership Development will be the central entity managing compliance of goals on the Project related to utilization of Minority and Woman-Owned Business Enterprises ("MWBE") and Service-Disabled Veteran-Owned Businesses ("SDVOB"). The Developer will be required to include women and minorities in any job opportunities created, to solicit and utilize MWBE and SDVOB for any contractual opportunities generated in connection with project construction, and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2) to achieve an overall MWBE participation goal and an SDVOB participation goal related to the total value of hard costs and soft costs of such construction. HCR will establish specific goals for the Developer pursuant to a [*Minority and Women-Owned Business Utilization and Service-Disabled Veteran-Owned Business Agreement*](#), which the Developer will enter into with HCR when the Project is financed.

Attachments

Exhibit A: Project Site Plan

Vital Brooklyn: Site K (Utica Crescent) Land Use Improvement and Residential Project Design Guidelines

February 2023

Base Data

Block 4603 - Lot 1 (Tentative), post reapportionment to excise Lot 65

Address = 832 Rutland Road, Brooklyn, NY 11203 (intended address change to 564 Utica Avenue)

Location = Utica Ave to the East, E 49th Street to the West, Rutland Road to the North

Community District = Brooklyn Community District 9

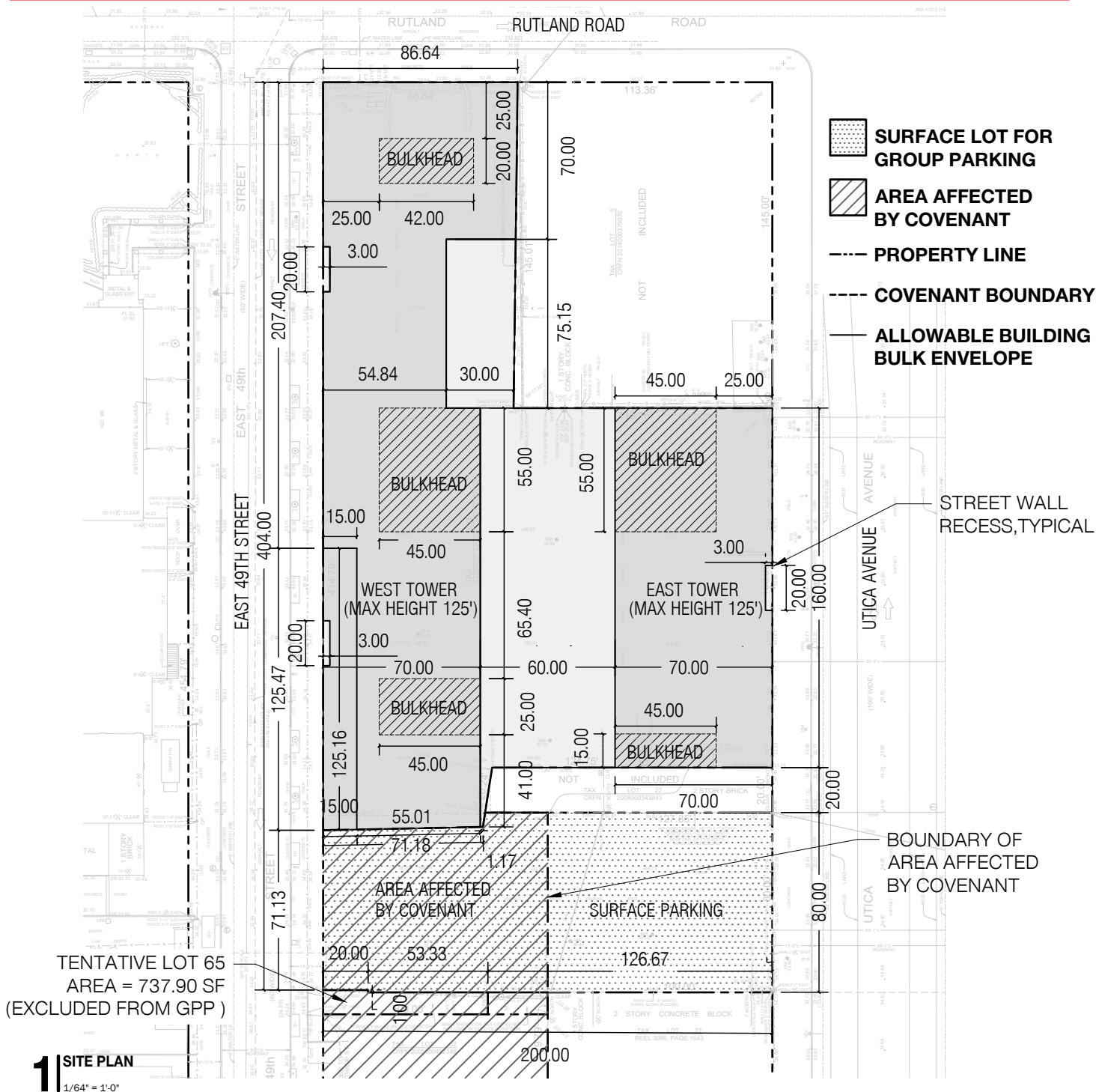
Council District = Council District 41

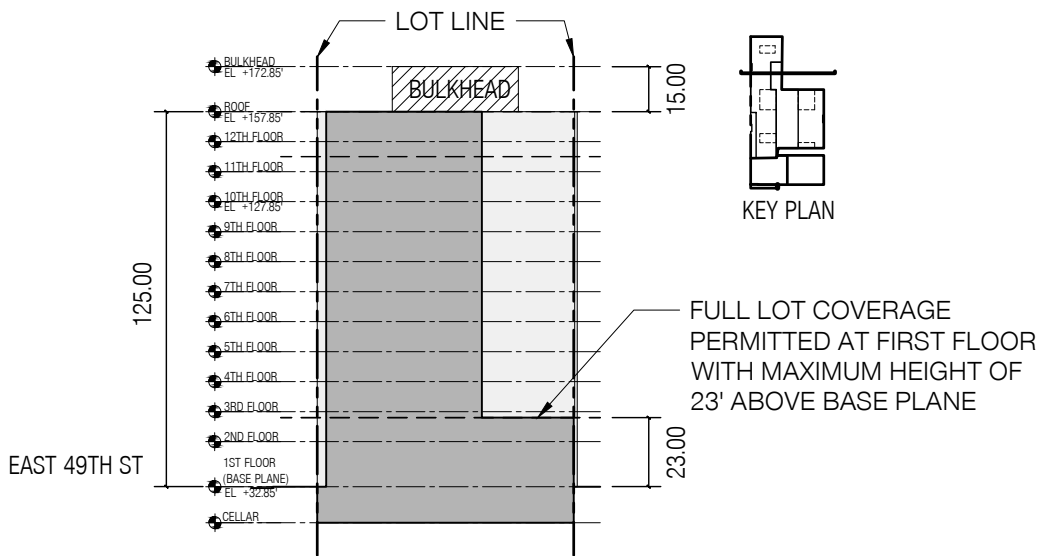
Lot Area = 61,886.30 SF

Utica Avenue = 100' (Wide) (source: Survey); Street Frontage = 240' (excludes out parcel Lot 22)

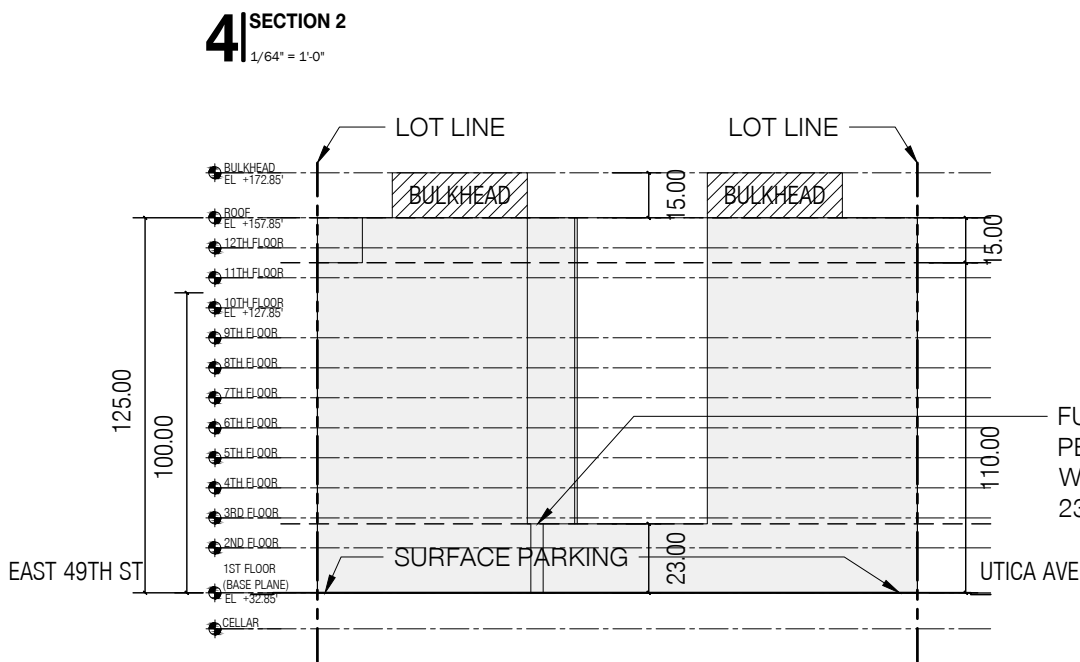
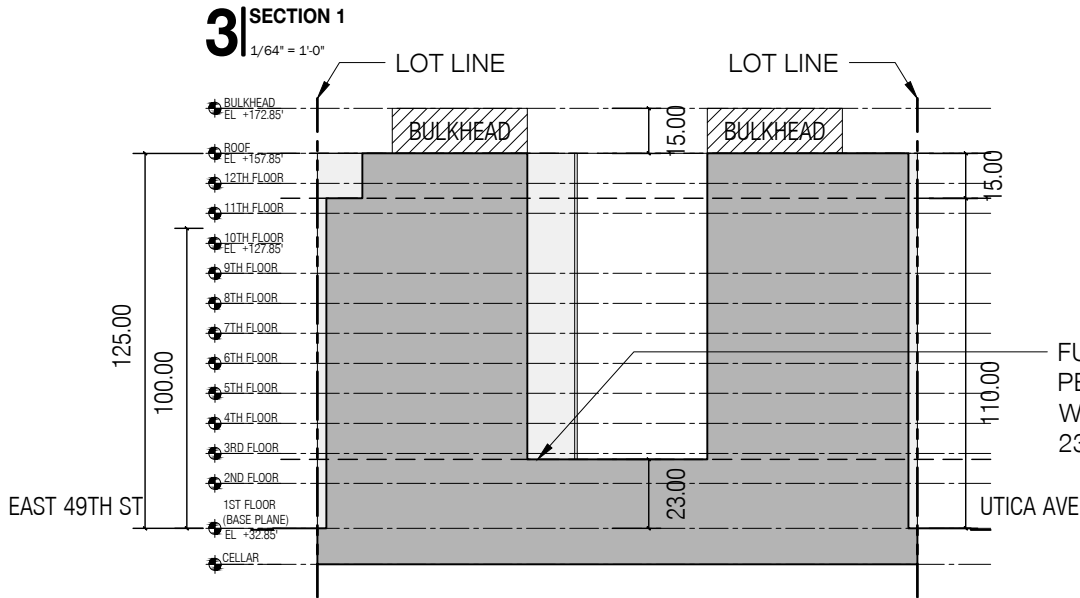
East 49th Street = 60' (Narrow) (source: Survey); Street Frontage = 404'

Rutland Road = 60' (Narrow (source: Survey); Street Frontage = 86.64' (note side lot line is not perpendicular to street line)



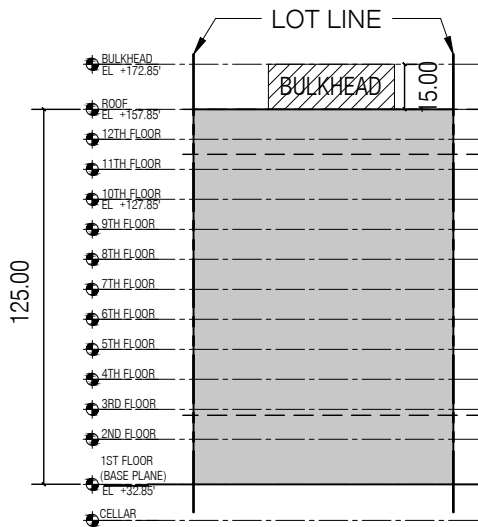


NOTE:
ALL BUILDING HEIGHTS TO BE MEASURED FROM THE BASE PLANE, THE AVERAGE OF THE LEVELS OF THE CURB AT THE CENTER OF EACH BUILDING FRONTAGE.



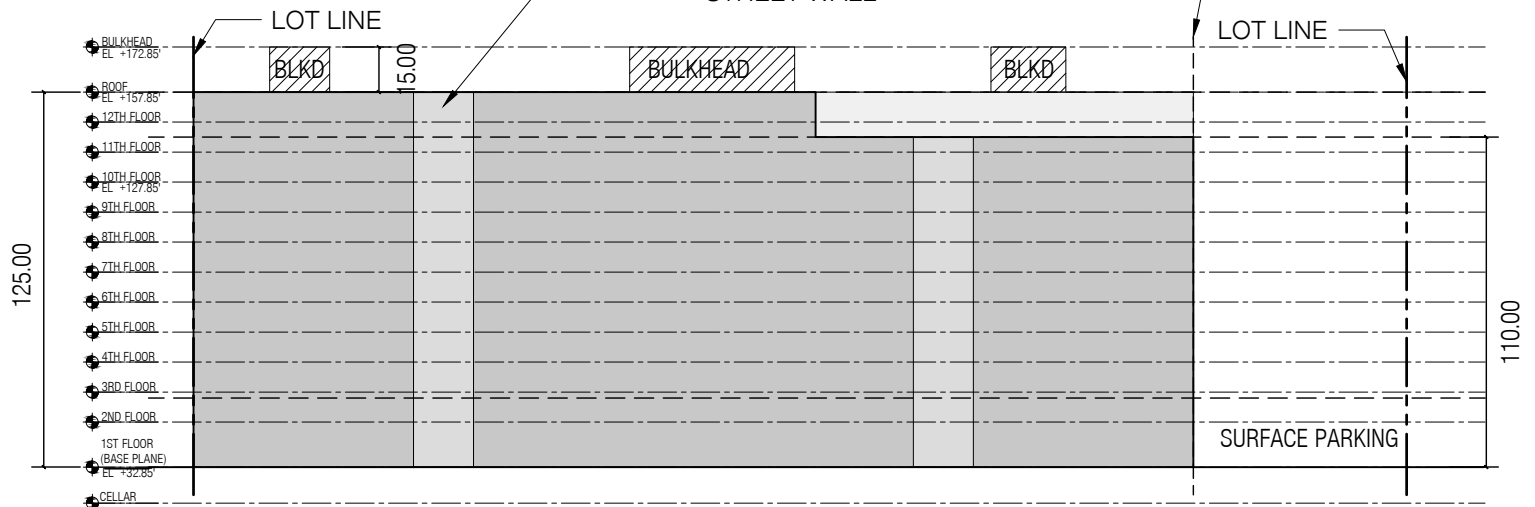
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ALL BUILDING HEIGHTS TO BE MEASURED FROM THE BASE PLANE, THE AVERAGE OF THE LEVELS OF THE CURB AT THE CENTER OF EACH BUILDING FRONTAGE.



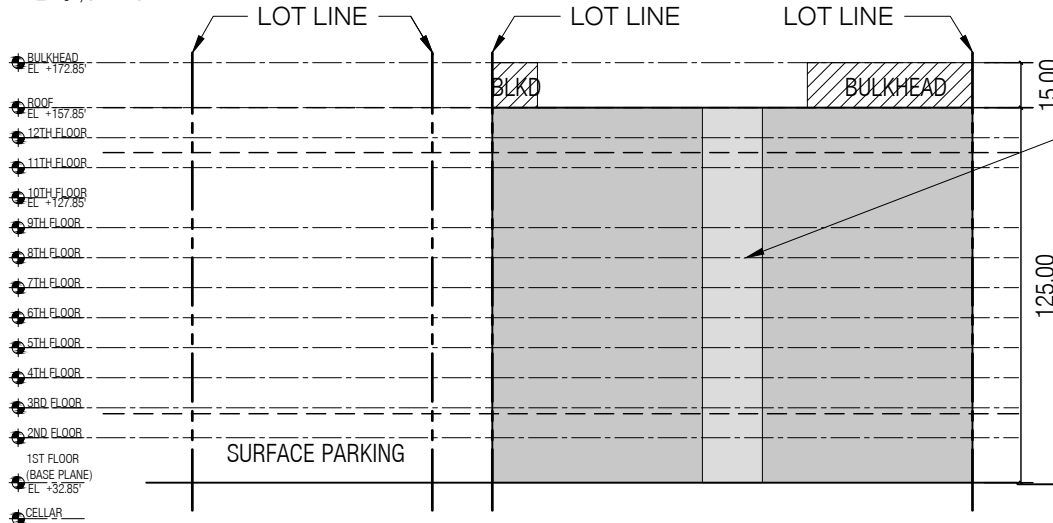
6 | RUTLAND ROAD STREET WALL

1/64" = 1'-0"



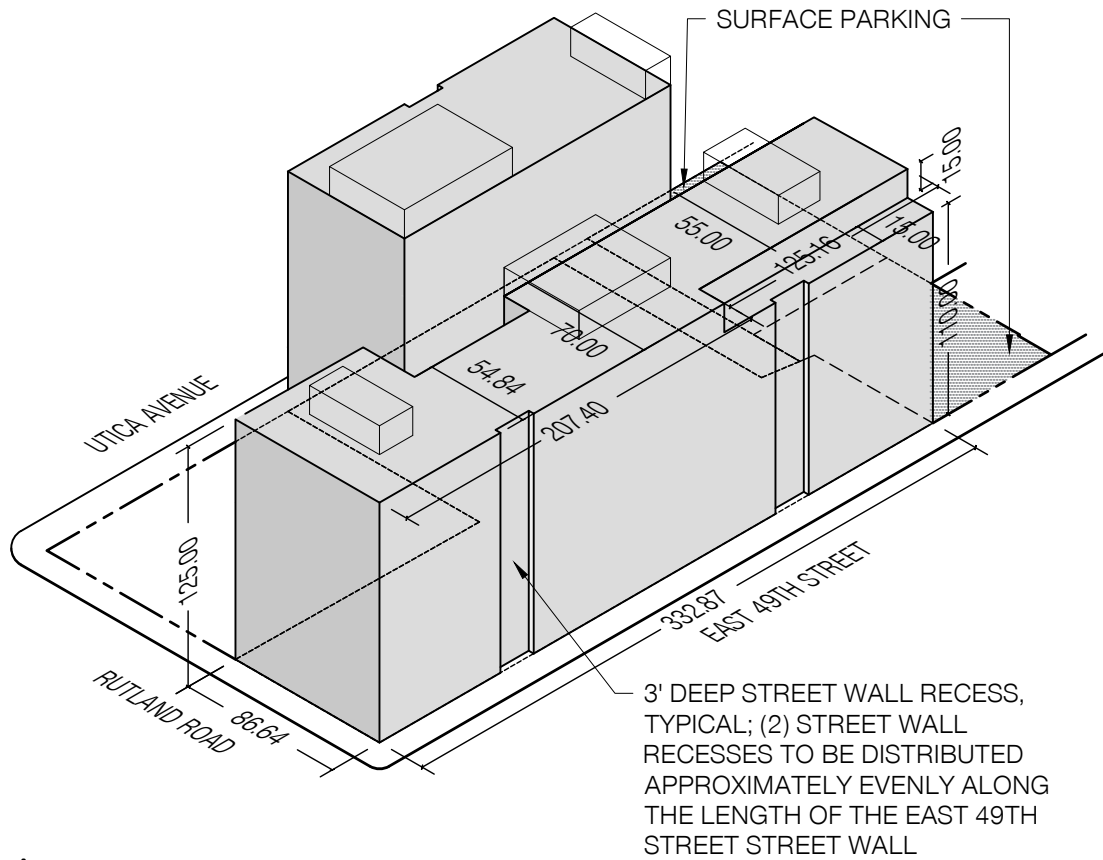
7 | EAST 49TH STREET WALL

1/64" = 1'-0"



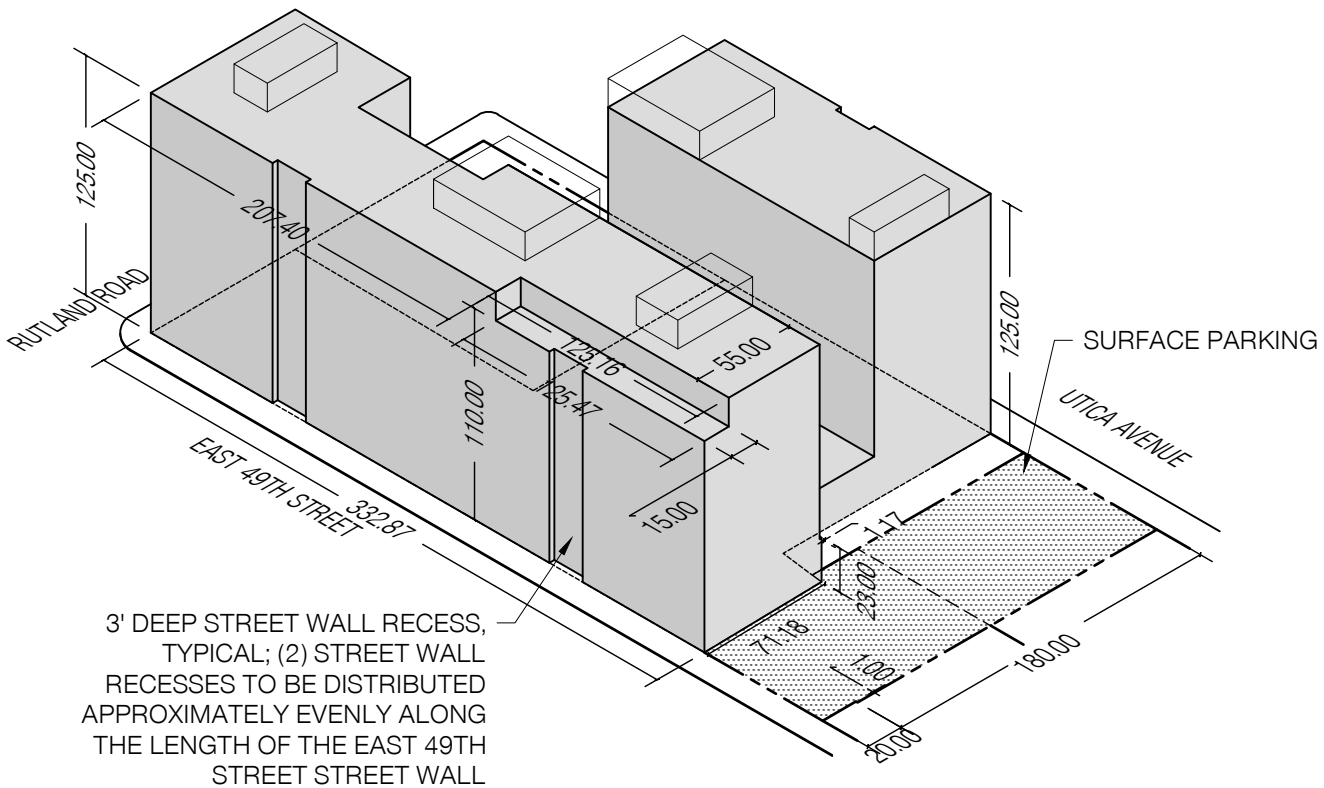
8 | UTICA AVENUE STREET WALL

1/64" = 1'-0"



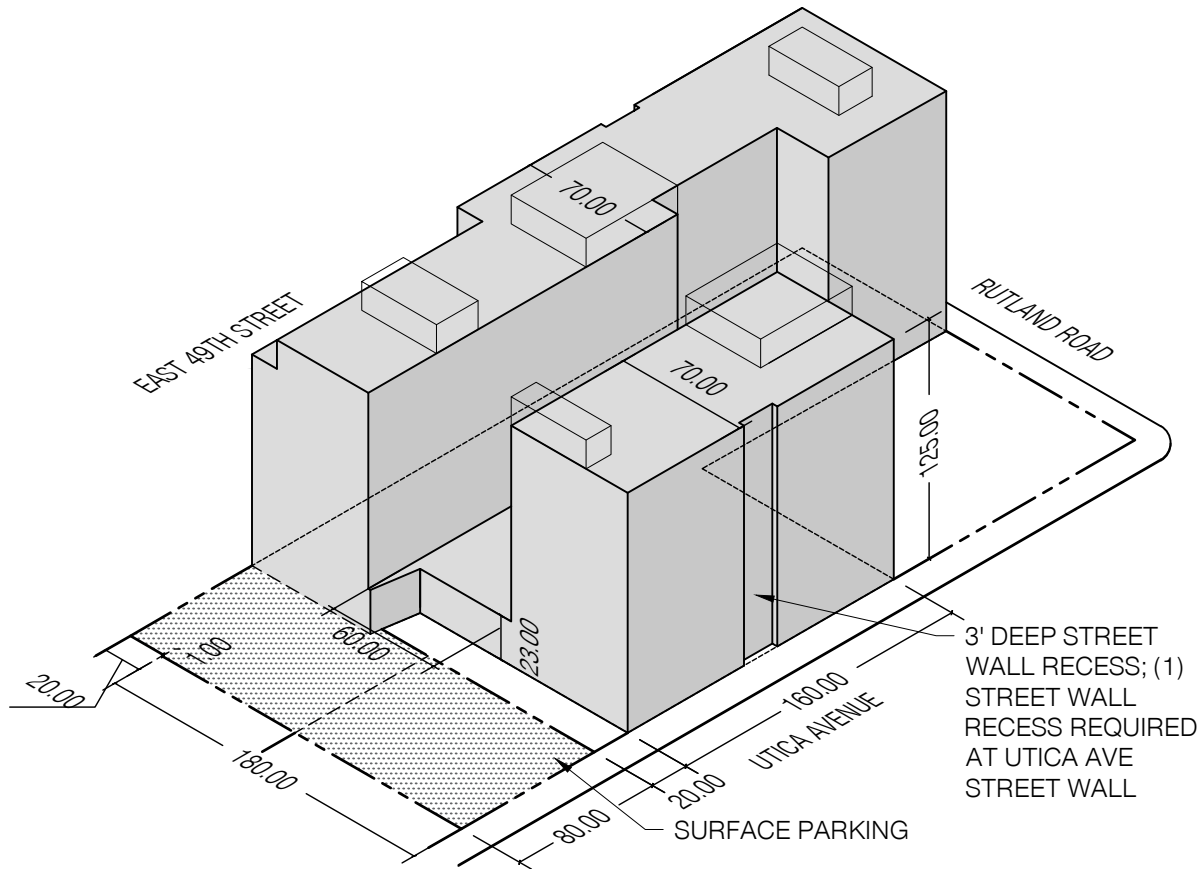
9 | AXONOMETRIC OF WEST TOWER FROM NORTH WEST

1" = 100'

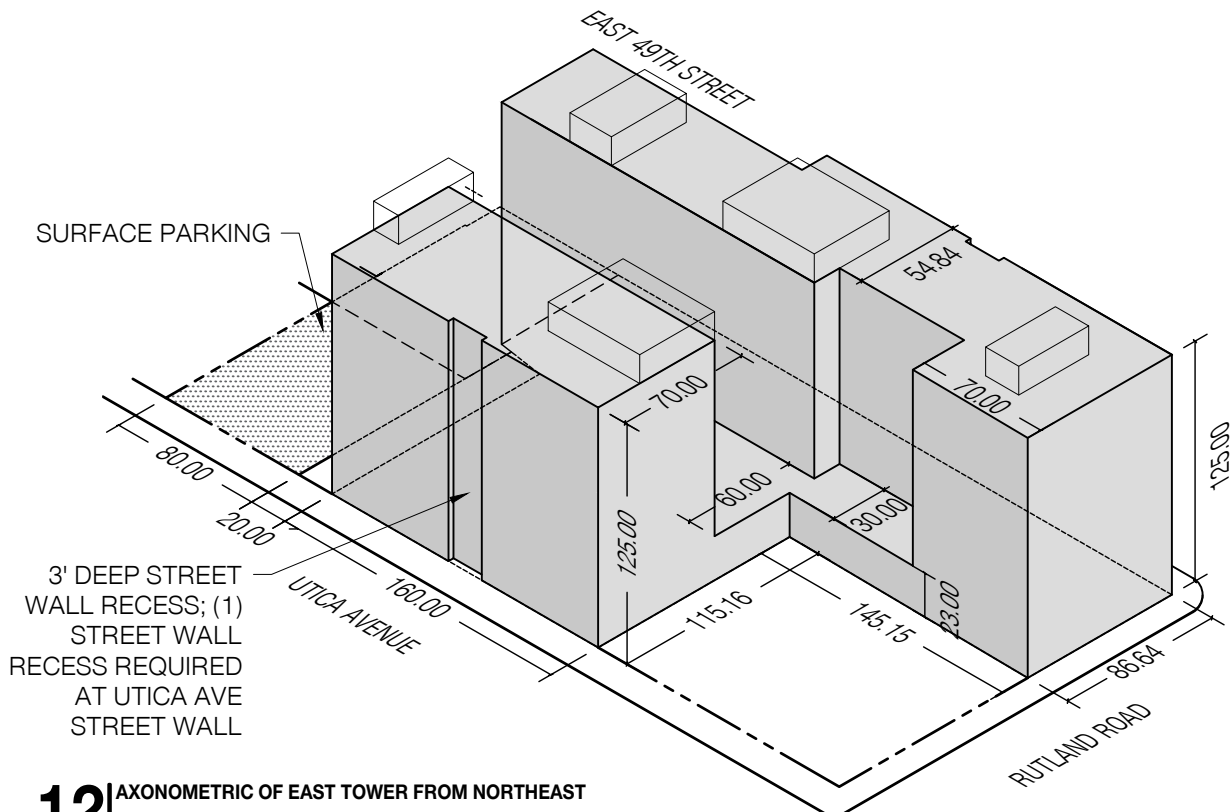


10 | AXONOMETRIC OF WEST TOWER FROM SOUTHWEST

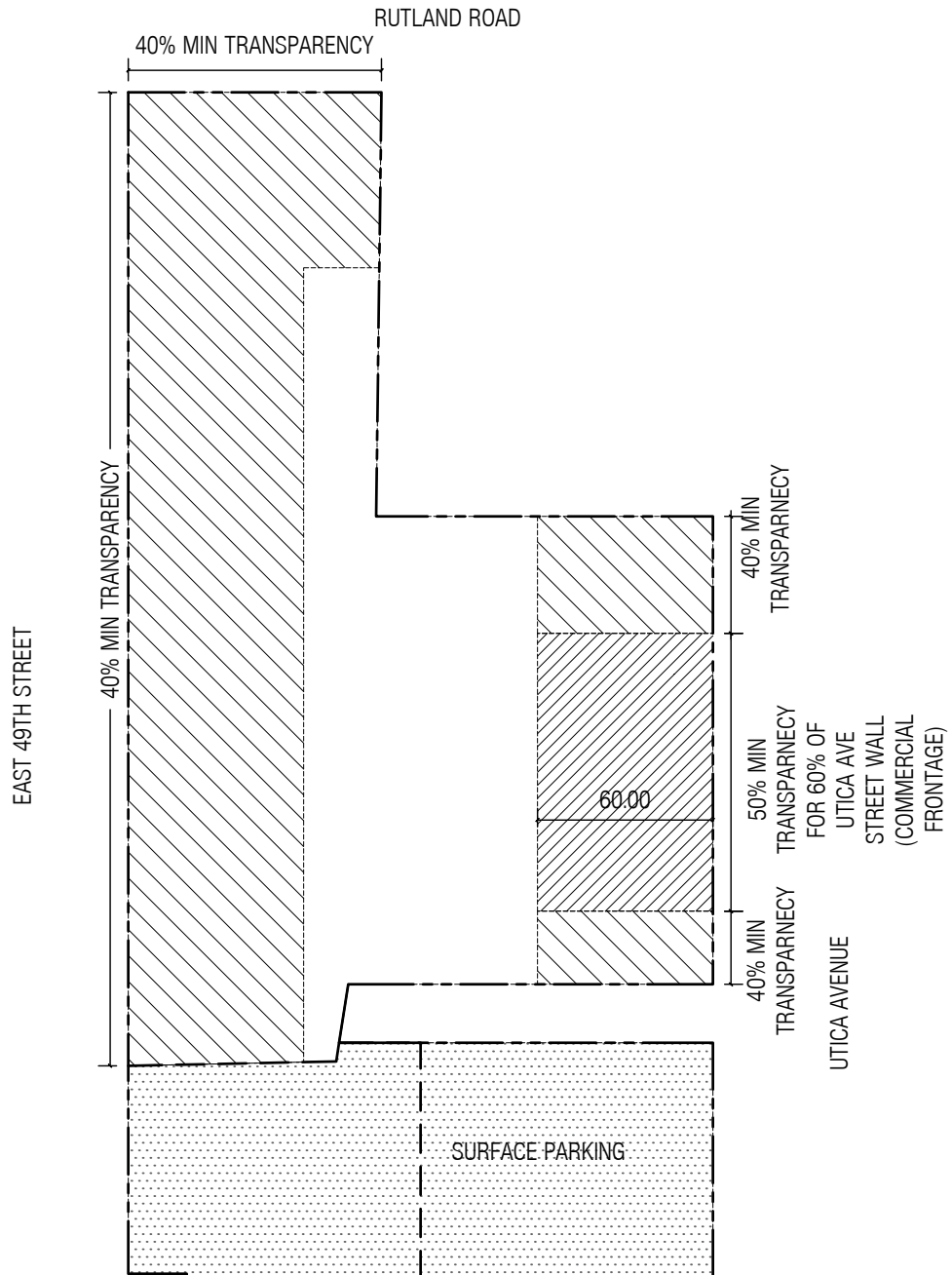
1" = 100'



11 | AXONOMETRIC OF EAST TOWER FROM SOUTHEAST
1" = 100'



12 | AXONOMETRIC OF EAST TOWER FROM NORTHEAST
1" = 100'



 **COMMERCIAL AREA**
MIN TRANSPARENCY = 50%

 **NON-COMMERCIAL AREA**
MIN TRANSPARENCY=40%

----- **PROPERTY LINE**

----- **COVENANT BOUNDARY**

13 | GROUND FLOOR USE AND TRANSPARENCY

1/64" = 1'-0"

NOTES:

1. REFER TO TRANSPARENCY REQUIREMENTS DESCRIPTION FOR MEASUREMENT AND EXCLUSION CRITERIA.
2. MINIMUM COMMERCIAL FRONTAGE AND EXTENTS SHOWN, LOCATION CAN VARY.
3. MINIMUM TRANSPARENCY REQUIREMENTS ARE TO BE CALCULATED PER STREET FRONTAGE.

Design Guidelines	Item/Description	Permitted/Required
PERMITTED USES		
1	Permitted Uses	Residential, Community Facility, Commercial, Group Parking Facility (in building cellar and exterior surface lot)
FLOOR AREA		
2	Maximum Residential Floor Area	340,000 gsf (322 units)
3	Maximum Community Facility	19,000 gsf
4	Maximum Commercial	24,000 gsf
5	Maximum Combined Commercial & Community Facility	38,000 gsf
6	Group Parking Facility (In Building and Surface Lot)	92 spaces
YARDS & OPEN SPACE		
7	Location of yards/open space	Yards may be provided on any roof that is open to the sky above and that is not more than 23' above the base plane. Open space includes paved and landscaped terrace and unoccupied green roof, and screened mechanical equipment areas.
8	Permitted obstructions in yards/open space	Mechanical Equipment, awnings and sun control devices, driveways and off-street parking spaces, parapet walls up to 4' in height, guardrails, fences up to 8' in height, planting boxes, solar energy systems including canopy systems under 16' in height, skylights, clerestories, or other daylighting devices not more than 4' in height as measured from the maximum height limit as defined in DG 7 and limited to a lot coverage not greater than 10% of the lot coverage of the roof.
9	Side Yards	No side yards are required. If any open area extending along a side lot line greater than 12" in width is provided at any level, it shall have a minimum width of eight feet, measured perpendicular to the side lot line.
10	Street Wall Recesses and Planting	Street wall recesses are required as indicated on axonometrics. Recesses must have a minimum depth of 3', a maximum depth of 8', and a minimum width of 20'. Planting is required in a minimum of 20% of any area between the street line and street wall of the building on all frontages except on Utica Avenue. No planted areas are permitted between the street line and the street wall on Utica Avenue.
BUILDING HEIGHT & SETBACKS		
11	Base Plane Datum	All building heights to be measured from the base plane, the average of the levels of the curb at the center of each building frontage. Base Plane= El. 32.85'
12	Permitted obstructions beyond maximum permitted building heights (including at setbacks)	Awnings and other sun control devices; chimneys or flues; solar energy systems not more than 12' in height as measured from the maximum height limit; vegetated roofs, not more than 3 feet 6 inches above the maximum height limit; weirs, check dams and other equipment for stormwater management not more than 3 feet 6 inches in height as measured from the maximum height limit; elevator or stair bulkheads up to 15' in height (as shown in drawings); mechanical equipment (including enclosures); emergency generators (including enclosures).
PARKING		
13	Maximum size of group parking facilities	No more than 39 open surface off-street accessory parking spaces and 53 enclosed cellar off-street accessory parking spaces shall be permitted. Parking spaces shall be a minimum of eight feet wide. Typical parking spaces shall be a minimum of 18' in length and compact spaces shall be a minimum of 16' in length. Group parking facilities are as defined in the NYC ZR.

14	Accessory off-street parking spaces for residential uses	No accessory off-street parking spaces shall be required for residential uses.
15	Accessory off-street parking spaces for commercial and community facility uses	No accessory off-street parking spaces shall be required for commercial or community facility uses.
16	Public Parking	Public parking garages or public parking lots are permitted as is parking accessory to off-site uses.
17	Parking Lot Perimeter Landscaping/Screening (Excluding at Street Lines)	Any open off-street parking areas shall be screened from adjoining lots or public ways by either: (1) a strip at least three feet wide, densely planted with shrubs or trees at least four feet high at time of planting and spaced 24 inches on center; and/or (2) a wall, barrier, or fence of fire-resistant materials at least six feet and not more than eight feet in height and not more than 75% open.
18	Parking Lot Perimeter Landscaping/Screening at Street Lines	Any open parking area that fronts upon a street shall be screened at the street line by a perimeter landscaped area at least seven feet in width measured perpendicular to the street line. The first two feet of the landscaped area adjacent to the open parking area shall be comprised of mulch and densely planted with groundcover. The remainder of the landscaped area shall be densely planted with shrubs at a distance of 24 inches on center and maintained at a maximum height of six feet above the level of the adjoining sidewalk. One two-inch caliper tree shall be provided for every 25' of street frontage of the open parking lot. Such perimeter trees shall be staggered wherever possible with street trees, but in no event shall perimeter trees be planted closer than 15' on center. A radius of at least 20' shall be maintained between trunks of perimeter trees and street trees. If such distances cannot be maintained, the perimeter tree shall be waived in that location. Ornamental fencing, excluding chain link fencing, with a surface area at least 75% open, provided such fencing does not exceed six feet in height and is located at least five feet from the street line.
LOADING		
19	Required Accessory Off-street Loading Berths	No loading berths are required for proposed residential, commercial, or community facility uses.
20	Loading Berth Enclosure	Any loading berths shall be enclosed within a building and no exit from such loading berth shall be within 50' from a residential use on an adjacent lot.
CURB CUTS		
21	Width of Curb Cuts	The maximum width of a curb cut shall be 26' excluding splays.
BICYCLE PARKING		
22	Required enclosed bicycle parking spaces for residential uses (non-senior)	One bicycle parking space per two typical dwelling units.
23	Required enclosed bicycle parking spaces for residential uses (senior)	One bicycle parking space per four senior dwelling units.
24	Required enclosed bicycle parking spaces for non-residential uses	No bicycle parking spaces are required, except five bicycle parking spaces (open or enclosed) must be provided for the proposed grocery store use.

SPECIAL URBAN DESIGN REGULATIONS - TRANSPARENCY

25	Minimum Transparency Requirements	<p>The ground floor level street wall along all street frontages shall be glazed with transparent materials which may include storefront glazing, glazed doors, and other windows. Such transparent materials shall occupy at least 40% of the surface area of such ground floor level street wall along residential frontages and at least 50% of the surface area of such ground floor level street wall along commercial frontages, as depicted in the use & transparency plan. Transparency areas are measured between a height of 2' above the base plane and 10' or the height of the ground floor ceiling, whichever is lower. Such transparency requirements shall not apply to portions of the ground floor level occupied by entrances or exits to accessory off-street parking facilities, loading berths, or emergency egress stairwells or passageways. (Calculations shall consider mullion profiles under 3" in width as part of the glazing area so long as they are spaced 2' or more from each other. Calculations shall consider entry doors with 75% or more of their surface area glazed as 100% glazing. All area calculations shall be established parallel to the associated street line.)</p>
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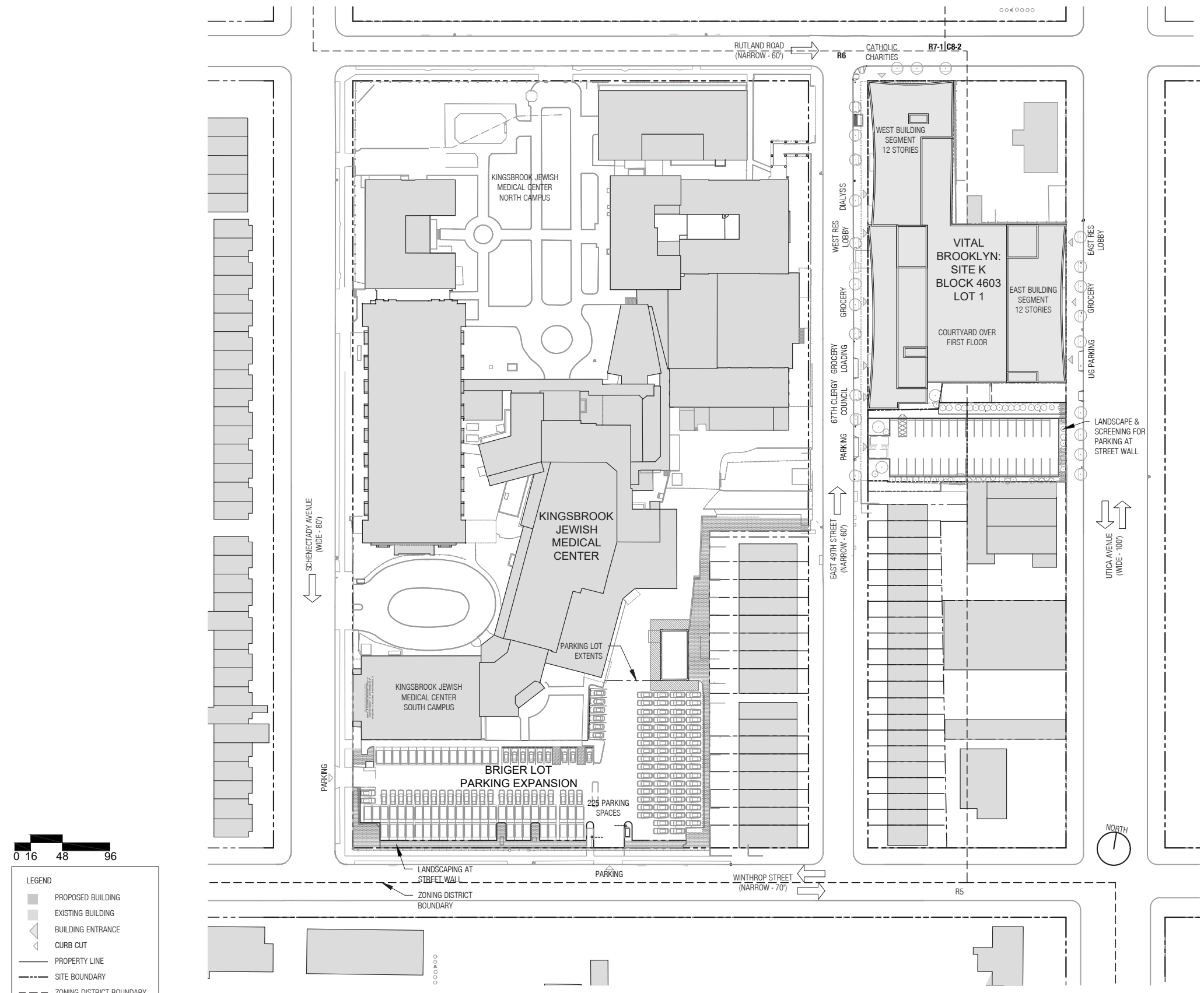
STREET TREES

26	Street Tree Planting	<p>1 street tree for every 25 feet of street frontage. Fractions equal to or greater than one-half resulting from this calculation shall be considered to be one tree. Such trees shall be planted at approximately equal intervals along the entire curb of the street. Payment may be made to the Department of Parks and Recreation Tree Fund for any street tree that cannot be placed due to site constraints. The species and caliper of all street trees shall be determined by the Department of Parks and Recreation, and all such trees shall be planted in accordance with the street tree planting standards of the Department of Parks and Recreation.</p>
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SIGNAGE

27	Nameplate or Identification Signage	<p>One identification sign, with an area not exceeding 30 square feet and indicating only the name of the permitted use, the name or address of the building, or the name of the management thereof, is permitted for each use or address. For any sign on awnings or canopies, the height of letters on any side of such awnings or canopies shall not exceed 12 inches.</p>
28	Signs for Parking	<p>One sign, with an area not exceeding two square feet, designating each entrance to or exit from an off-street parking area, open or enclosed, is permitted. No such sign shall be higher than seven feet above curb level.</p>
29	Permitted Illuminated Accessory Signs for Hospitals and related Facilities	<p>Illuminated non-flashing accessory signs are permitted provided that the total surface area in square feet of the illuminated and non-illuminated identification or directional signs does not exceed 25 square feet on any one street frontage or 15% of such street frontage in feet, whichever is less.</p>
30	Flags, Banners, or Pennants for Community Facility Uses	<p>Flags, banners, or pennants other than that are advertising signs, used primarily for community facility uses of a civic, philanthropic, educational, or religious nature, are permitted without limitation.</p>

31	Projecting Signs	Any sign complying with the requirements above may project from the street wall provided it conforms with the following regulations: i. no sign shall project across a street line by more than 12", ii. no sign shall project perpendicular to the street wall to which it is attached by more than 24", iii. no sign shall extend above the datum established by the top of the first floor storefront or 16 feet above curb level, whichever is less, iv. not more than one sign is permitted for each use per street frontage upon which it has an entrance or exit.
32	Increased Signage on Utica Avenue - Illuminated Signs in windows	Illuminated non-flashing signs other than advertising signs are permitted to be located in a window within a building, with a total surface area not exceeding eight square feet and limited to not more than three such signs in any window.
33	Increased Signage on Utica Avenue - Non-Illuminated Signs	Non-illuminated signs are permitted with a total maximum surface area of 150 sf.
34	Increased Signage on Utica Avenue - Illuminated Signs	Illuminated non-flashing signs are permitted with a total maximum surface area of 50 sf.
35	Third Party Commercial Advertising	Signage shall be limited to the purposes of building branding and tenant usage. Third party commercial advertising for non-tenants shall not be permitted.
36	Sustainability Compliance	Project to attain Enterprise Green Communities 2020 Certification.



Site Plan

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Life Sciences Initiative – Procurement of Services Related to the Management of the Application Process and Related Activities for the \$40M New York Biodefense Commercialization Fund (“The Fund”)

REQUEST FOR: Authorization to Enter into a Contract Extension for Management of Application Processes and Mentoring Services and to Take Related Actions

I. Contract Summary

Contractor: The Trustees of Columbia University in the City of New York (Columbia Technology Ventures) (“CTV”)

Scope of Services: CTV will assist in the continued management of the \$40 million New York State Biodefense Commercialization Fund. This work will include application updates, distribution, website enhancements, information sessions, online application and review process, communications with applicants, post-award progress tracking and coaching, connections to mentors and advisors, and introductions to funders. CTV also will continue providing overall management of such activities as communications and marketing about the Fund, outreach to New York State stakeholders, coordinating with the Executive Committee and other committees, identifying, and managing the mentor network, and training activities.

Original Contract Term: June 2021 – December 2022

Original Contract Amount: Not to exceed \$750,000

Amendment to Contract Term: December 2022 – May 2023 (6 months)

Amendment to Contract Amount: Not to exceed \$225,000

New Contract Term: June 2021 – May 2023

New Contract Amount: Not to exceed \$975,000

Funding Source(s):

FY 2017-18 New York State Budget Appropriation for Life Sciences Initiative

II. Contract Description and History

ESD is seeking authorization to enter into a \$225,000, 6-month contract extension with The Trustees of Columbia University in the City of New York (Technology Ventures division “CTV”) to obtain continued services related to marketing and stakeholder outreach, application and applicant management, and mentoring that are required for the administration of the \$40 million New York State Biodefense Commercialization Fund. The original contract period of 18 months has allowed for the establishment of the Biodefense Commercialization Fund, but the need for ongoing management remains paramount as only a portion of the \$40M Fund has been awarded to date. CTV has been critical to the early success of this program, receiving and reviewing 177 applications in the initial funding cycle. The 18 organizations awarded grants in the first funding cycle are already making significant contributions to New York’s life science ecosystem: submitting patent applications for groundbreaking infectious disease treatments, hiring new staff, and relocating to new office space. Following the second call for applications in September of 2022, the Biodefense Commercialization Fund received more than 100 applications, which are currently moving through the review process. Extending the contract for 6 months will allow CTV to complete this funding cycle and ensure that the new awardees are well positioned for success with this program. Losing CTV’s guidance and management at this critical stage would severely hinder ESD’s ability to continue the program’s success.

The Fund was announced by the Governor last year and is designed to accelerate commercialization of life science research and innovations that address serious infectious disease health threats. The Fund provides grants to life science startups and other burgeoning companies, as well as academic centers, that are developing promising diagnostics, vaccines, therapeutics, and other innovations that prevent, treat, or mitigate these threats. The Fund is managed by ESD and guided by an Executive Committee consisting of representatives from ESD, Department of Health (DOH), two venture funds (Deerfield Management and SOSV), Columbia University, and Mount Sinai School of Medicine.

III. Contractor Selection Process

CTV was chosen via a single source procurement given their unique expertise and existing initiatives with this project. Columbia is ranked highly in infectious diseases globally and is ranked first among all NY-based universities in this field. Columbia is one of the most active of the relatively few players that offer the breadth of support to startups needed for this grant program, each year managing more than 400 invention disclosures, 100 license deals and 20 to 30 new IP-backed startups by its team of 45 professionals and 30 interns. Columbia is among the top universities in the country for all-time revenue generation from technology commercialization.

Columbia is fully integrated with the project and has the complete range of capabilities required to move this project forward; extending this contract ensures work can continue on

schedule without disruptions. CTV works frequently with Mount Sinai Innovation Partners (MSIP), which is supported by 51 staff members, is highly active in supporting startups, and offers services that are complementary to Columbia's and Columbia has committed to bringing Mount Sinai's expertise to this program. This unparalleled expertise in the Lab-to-Market management has been a major reason for the program's early success.

IV. Scope of Work

There are only a handful of institutions capable of performing some, but not necessarily all, of the market-specific work necessary for this grant program. CTV was selected because they can provide the complete range of services required (listed below), which will serve as the basis for the metrics against which the contract will be evaluated.

- **Application Development and Management:** CTV will review and update application documents and processes for reviewing and tracking applications.
- **Application Review and Scoring:** CTV will ensure the process for reviewing and scoring of all applications runs smoothly and will work with ESD to identify and train the judging panel, synthesize the scores, and share with ESD the scores and feedback for final project selection by ESD.
- **Communication with Applicants:** CTV will serve as the primary point of communication for all applicants, to answer questions that may arise and to share any required feedback.
- **Mentor Network:** The Executive Committee, with CTV, will continue to identify mentors for Fund recipients and will coordinate ongoing mentor activities, which may include assisting in the development of business plans, providing guidance on regulatory issues, and providing direction in securing support beyond ESD Funding.
- **Marketing and Communications:** In coordination with ESD, CTV will enhance materials to raise awareness of the Fund to prospective applicants, potential mentors, and funders. CTV also will coordinate with ESD to maintain and update the website, which serves as the primary information access point for applicants.
- **Post-Award Progress Tracking:** CTV will work with Mentors in tracking progress against milestones and budgets for all awardees. If needed, CTV also will identify additional advisors and mentors from industry and venture capital who can be of assistance.
- **Introductions to Potential Funders:** CTV will make connections for funded teams to further institutional funding opportunities, such as the venture capital community and biopharma/life science business development teams.

V. Contract Timeline, Term, Price and Funding

Upon approval by the Board to enter into a contract extension with Columbia, an extension will be negotiated that will include specific deliverables and metrics. The term of the contract will be for six months for an amount not to exceed \$225,000. The basis of payment of the fee will be fixed fees against deliverables to be mutually agreed. The source of funding is the FY 2017-18 New York State Budget Appropriation (Life Sciences Initiative).

VI. Responsible Party

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, staff has: (a) considered Contractor's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerors determined to be non-responsible bidders and debarred offerors maintained by the New York State Office of General Services. Based on the foregoing, staff considers Contractor to be responsible.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprise (MWBES) and Service-Disabled Veteran-owned businesses (SDVOBs) for any contractual opportunities generated in connection with the project and shall be required to use Good Faith Efforts [pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2(m)] to achieve MWBE and SDVOB Participation. Establishment of specific goals related to the total value of ESD's funding is still pending.

VIII. Environmental Review

ESD staff has determined that the authorization to enter into a contract for management of application processes and mentoring services constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

IX. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; and (2) authorize the Corporation to enter into a contract extension with The Trustees of Columbia University in the City of New York for an amount not to exceed \$225,000.

X. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

XI. Attachment

Resolution

February 16, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Life Sciences Initiative – Procurement of Services Related to the Management of the Application Process and Related Activities for the \$40M New York State Biodefense Commercialization Fund (“The Fund”) - Authorization to Enter into a Contract Extension for Management of Application Processes and Mentoring Services and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds The Trustees of Columbia University in the City of New York to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract extension with The Trustees of Columbia University in the City of New York in an amount not to exceed Two hundred twenty-five thousand DOLLARS (\$225,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT TO: Procurement of Legal Services

REQUEST FOR: Authorization to Enter into a Contract Amendment with Goldman Antonetti & Cordova, LLC (the "Firm") to Continue to Provide Legal Services in Connection with the NYS Office of Trade and Tourism Office Space in Old San Juan, Puerto Rico; and Authorization to Take Related Actions

I. Background and Scope of Work

In November 2015, Empire State Development ("ESD"), through its subsidiary Statewide Local Development Corporation ("SLDC"), opened an office in Old San Juan, Puerto Rico for the purpose of promoting mutually beneficial trade and tourism. The opening of that office, now known as the New York State Office of Trade and Tourism, and its ongoing operation, required and continues to require legal advice and related services including for the licensing of the sale of Taste NY products, exterior signage, the conduct of special events and promotional activities as well as other matters including employment matters.

Foreign laws and administrative procedures require the aid of local counsel licensed to practice in such jurisdictions. In October 2015, ESD entered into a retainer agreement with Goldman, Antonetti & Cordova ("Goldman" or "Firm") to provide the needed legal services. In November 2021, ESD drafted a new one-year contract including a new scope of legal services (i.e., local filing and registration requirements), with a new contract amount of \$28,750 (\$25,000 fee + \$3,750 contingency), with the contract expiring on April 1, 2022. In April 2022, this contract was amended for an additional two years (until March 31, 2024), with an increased contract value of \$7,250 to a new contract amount of \$36,000).

Goldman has performed all requested services satisfactorily and is now familiar with SLDC and its activities. Their experience over the past seven years had shown that there is a continuing need for legal advice and services of local counsel, as demonstrated by changes to liquor licenses, permits, and local tax filings and registration requirements that affect the Puerto Rico office operations and have affected the amount of legal fees needed to complete and finalize same. As such, an amendment to add an additional \$60,000 to a new contract amount not to exceed \$96,000, is necessary so that the Firm can be paid for the valuable services needed to ensure that

the operation of the office continues to be in compliance with local law through March 31, 2024.

II. Contractor Selection Process

In connection with the planned activities in Puerto Rico in 2015, ESD staff previously reached out to a number of its pre-qualified law firms and determined that none maintained an office in Puerto Rico and/or had rates as reasonable as this Firm. Goldman Antonetti & Cordova LLC was interviewed along with two other local firms and competitively selected because of their excellent credentials, their competitive rates and their ability to begin the engagement immediately. The Firm has been providing excellent services on behalf of ESD since 2015 and has unique experience and knowledge of the business issues that concern the Puerto Rico office.

A Contract Reporter exemption was previously granted in March 2016 relating to the amendment of the original contract and recently in 2022 relating to the amendment of the current contract, on a single source basis, as the work to be performed is a continuation of work commenced under the contract and no useful purpose would be served by conducting a solicitation and bringing on a new firm at this point for the Office in PR when this Firm is already providing excellent services.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation's policy related thereto, staff has; a) considered the proposed contractor's ability to perform the services provided for in the proposed contract; and b) consulted the list of offerors determined to be non-responsible bidders and debarred offerors maintained by the New York State Office of General Services. Based on the foregoing, staff considers the proposed contractor to be responsible.

III. Contract Summary

Contractor:	Goldman, Antonetti & Cordova, LLC ("Goldman" or the "Firm")
Scope of Services:	Legal advice and related services regarding the application of local law to economic development activities conducted in Puerto Rico
Current Contract Term:	April 1, 2022 – March 31, 2024
Contract Amount:	Contract Amount: \$36,000 Proposed Amendment Amount: \$60,000 New Proposed Total Contact Amount: \$96,000
Funding Source:	New York State Budget Appropriation

IV. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business enterprises (MWBES) in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that MWBE participation goals need not be applied to this project.

V. Environmental Review

ESD staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required.

VI. Requested Action

The Directors are requested to: (1) make a determination of responsibility with respect to the proposed contractor/Firm; (2) authorize the Corporation to amend the contract with Goldman, Antonetti & Cordova, LLC to increase the contract value to not to exceed \$60,000, for a new total amount of \$96,000; and (3) take other related actions.

VII. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

VIII. Attachment

Resolution

February 16, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - Procurement of Legal Services - Authorization to Enter into a Contract Amendment with Goldman Antonetti & Cordova, LLC (the "Firm") to Continue to Provide Legal Services in Connection with the NYS Office of Trade and Tourism Office Space in Old San Juan, Puerto Rico; and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds the law firm of Goldman, Antonetti & Cordova, LLC to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend its existing contract with Goldman, Antonetti & Cordova, LLC in the amount of Sixty Thousand Dollars (\$60,000) for a total contract amount not to exceed Ninety-Six Thousand Dollars (\$96,000), for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials, which includes all services rendered as of the date of this resolution; and be it further

RESOLVED, that the President and Chief Executive Office of the Corporation or her designee(s) be, and each of them hereby is, authorized to take such actions and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Legal Services

REQUEST FOR: Authorization to Enter into an Amended Contract with Sidley Austin, LLP to Continue to Provide Legal Services in Connection with the Buffalo Bills Stadium Project; and Authorization to Take Related Actions

I. CONTRACT SUMMARY

Counsel: Sidley Austin, LLP (“Counsel” or the “Firm”)

Scope of Services: To provide ESD and its subsidiary, the Erie County Stadium Corporation (“ECSC”), with legal advice and counsel in connection with the long term planning for the retention of the Buffalo Bills in Western New York.

Contract Term: Two (2) Years, with the option to renew for two additional years.

Contract Amount: Contract Amount: \$500,000
 Amended Amount: \$400,000
 Total Contact Amount: \$900,000

Funding Source: State appropriation.

II. BACKGROUND

In May 2013, the New York Urban Development Corporation d/b/a as Empire State Development (“ESD”), through its subsidiary the Erie County Stadium Corporation (“Stadium Corp”), together with the County of Erie (“County”) and the Buffalo Bills, Inc. (the “Bills”) agreed to a plan for the renovation of Highmark Stadium f/k/a Ralph Wilson Jr. Stadium (the “Stadium”) and for a new 10-year lease. Under these agreements, the County leases the Stadium to Stadium Corp, which in turn subleases it to the Bills. As the current lease is set to expire in July 2023, the parties have entered a non-binding Memorandum of Understanding setting forth the general terms for the funding and construction of new stadium that will be constructed by the Buffalo Bills in Orchard Park, New York. As part of the agreement, the ECSC will own the facility and lease it to the Bills

for a term of thirty (30) years. Due to the complexity of the transaction, ESD/ECSC are in need of the services of outside counsel to assist in negotiation and closing of the transaction.

III. CONTRACTOR SELECTION PROCESS

In July 2022, the ESD Directors authorized a contract with Sidley Austin LLP to retain the services of Mr. Irwin Raij to lead the State's efforts in the negotiations regarding the new Stadium lease. As Mr. Raij has represented ESD in the previous lease deal in 1998 and the current negotiations regarding the new stadium deal, he is uniquely qualified to provide legal counsel services to ESD with respect to the current negotiations and Stadium issues.

Mr. Raij has vast experience in the sports and entertainment field. As the Firm's Entertainment, Sports and Media Group Co-Chair, Mr. Raij has extensive experience advising clients on a wide range of sports business issues, on both the professional and the collegiate levels. He has represented owners and acquirers of professional sports teams, leagues, universities, and state governments. His experience includes matters related to MLB, MiLB, MLS, NBA, NHL, NFL, EPL, and Serie A along with major colleges and universities. Mr. Raij also is an owner of the Oklahoma City Dodgers (MiLB), and the MLS Los Angeles Football Club (LAFC).

In addition, he has handled new stadium development projects, project program and development counseling, financing, construction, license/lease agreements, construction agreements, promotional and advertising agreements (including naming rights), management agreements, concessions, merchandising, ancillary development, licensing arrangements, sports technology counseling/ventures, ticketing arrangements, stadium service agreements and television, radio and media rights agreements.

Mr. Raij's role will be to continue to provide ESD and the State with targeted, strategic advice concerning plans for the Stadium and to lead the negotiations on behalf of the State for the new lease with the Bills. A Contract Reporter exemption for this contract was granted based on the Mr. Raij's particular expertise in negotiations involving professional sports teams and stadiums and his previous work representing ESD in the 1998 and current transactions with the Buffalo Bills.

IV. CONTRACT – TERM/PRICING

The term of the contract will be for two years, with the option to renew for two one-year extensions, at the discretion of the General Counsel. The maximum amount of the amended contract shall be \$900,000. The Firm will be paid at the following rates: attorneys who have passed the bar but have less than 33 months of experience as an attorney will be billed at the rate of \$435/hr; (ii) all other attorneys at the blended rate of \$785/hr (for hours 1 -250), \$760/hr (for hours 251-750), \$735/hr (for hours 751-1250) and \$710/hr (for any hours over 1250) in 2022 (for each subsequent year the applicable rate will be increased by \$10.

V. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, staff has: (a) considered the Firm's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers the Firm to be responsible.

VI. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of New York State certified minority and women-owned businesses ("MWBEs") and service-disabled veteran-owned businesses ("SDVOB"), respectively, in the performance of ESD contracts. ESD's Office of Contractor and Supplier Diversity has reviewed the project and has determined that there exists no potential for MWBE & SDVOB participation. As such, participation goals will not be established or required for this project; however, Counsel shall adhere to ESD's Nondiscrimination and Equal Employment Opportunity policy.

VIII. REQUESTED ACTION

The Directors are requested to authorize the Corporation to enter into an amended contract with the firm of Sidley Austin, LLP for the purposes and substantially on the terms and conditions set forth above.

IX. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested actions.

ATTACHMENT
Resolution

February 16, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT – Procurement of Legal Services - Authorization to Enter into an Amended
Contract with Sidley Austin, LLP to Continue to Provide Legal Services in Connection with
the Buffalo Bills Stadium Project; and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting and ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Sidley Austin, LLP (the “Firm”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into an amended contract with the Firm for a total contract amount not to exceed \$900,000.00, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, and be it further

RESOLVED, that the term of the contact with the Firm shall be two years which may be extended for two additional one-year options at the discretion of the Corporation’s General Counsel, and be it further

RESOLVED, that the President and Chief Executive Officer and her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

FOR CONSIDERATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Bronx (Bronx County) – Bronx Psychiatric Center

REQUEST FOR: Authorization to Amend the Contract with Sive Paget & Riesel, P.C. to Provide Environmental Legal Services in Connection with the Disposition and Redevelopment of a Portion of the Bronx Psychiatric Center (the “Project”) and to Take Related Actions

I. Contract Summary

Consultant: Sive Paget & Riesel, P.C. (“Counsel”)

Scope of Services: Counsel would continue to provide environmental legal services to Empire State Development (“ESD”) in connection with the Disposition and Redevelopment of a Portion of the Bronx Psychiatric Center (“BPC”).

Original Contract Term: December 2021 to December 2022

New Proposed Term: December 2022 to December 2023

Original Contract Amount: \$49,000

Funding Source: Imprest Account funded by the Project developer.

II. Background

The Bronx Psychiatric Center Redevelopment Project (“Project”) involves the disposition and redevelopment of an approximately 33-acre portion of the BPC campus (the “Project Site”) located at 1500 Waters Place in the Morris Park section of the Bronx. ESD issued a Request for Proposals in November 2013 seeking proposals for the purchase and redevelopment of the Project Site, and in February 2015, ESD announced plans for the development of up to 1,900,000 square feet to be constructed by the Project developer, Simone Development Companies (“Simone”), subject to a legally required public review process.

The Project would include commercial office space for business, professional or medical facilities; bio-tech/research space; accessory housing use; hotel space; college/trade school space; retail space to support campus employees and visitors; community facility space; open space; supporting amenity space; and accessory parking spaces.

Since the ESD Directors first authorized the retention of Counsel for the Project in March 2015, Counsel has provided legal services related to environmental matters, including compliance with the New York State Environmental Quality Review Act. ESD staff continues to work with the Project developer, the New York State Office of Mental Health (“OMH”) and the Dormitory Authority of the State of New York (“DASNY”) (the latter entities being current owners and operators of the Project Site), on the transaction agreements and related governmental filings and approvals and other prerequisites to developing the Project Site. The current \$49,000 contract with Counsel was executed in January 2023 with a term of December 2021 to December 2022. A contract amendment is needed to extend the current contract’s term for an additional year to cover the possibility of additional environmental work required to complete the Project.

III. Counsel Selection Process

The Corporation periodically through advertisement in the New York State Contract Reporter requests proposals from law firms in the following areas of law (including, in each instance, litigation capabilities): (1) real estate and land use; (2) construction; (3) environmental; (4) condemnation; (5) bankruptcy; (6) taxation; (7) bond financing; (8); (9) employment; (10) transactional direct and indirect investments; and (11) regulatory litigation. At the time of the ESD Directors’ first authorization in March 2015, Counsel was qualified by ESD and approved by the Directors in the area of environmental matters for the 2012 Pre-Qualified Counsel List.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation’s policy related thereto, staff has, a) considered the proposed contractor’s ability to perform the services provided for in the proposed contract; and b) consulted the list maintained by the New York State Office of General Services of offerers determined to be non-responsible bidders and debarred offerers. Based on the foregoing, staff considers the proposed contractor to be responsible.

IV. Scope of Work

Counsel would continue to advise ESD in environmental legal matters in connection with ESD’s participation in the Project, which may include but not be limited to review of Project materials; drafting documents; and meeting with ESD, OMH, DASNY, the Project developer, and other public agencies, as necessary.

V. Contract – Need for Amendment, Price and Funding

Since the time of ESD’s initial March 2015 approval of retention of Counsel, the Project has developed. This has required environmental review driven by site conditions and the impact of other involved agencies planning for areas adjacent to the Project. This has resulted in the need

for additional environmental legal review and analysis in order to finalize the environmental review of the proposed project.

Counsel has been negotiating and drafting regarding various environmental compliance matters with Simone. Counsel has performed the work to date in a satisfactory manner. Counsel's high level of expertise and nearly eight-year long familiarity with the Project uniquely qualify it to continue to provide the environmental legal services required for the Project. In order to continue working with Counsel, staff proposes that the Board extend the current contract term. Staff recommends that the current contract be amended to extend the term to December 2023. The contract value will remain \$49,000. The amended contract will continue to be paid in its entirety from the imprest account funded by Simone.

VI. Responsible Party

Staff has examined the proposed contractor's "responsibility" as defined in State Finance Law Section 163 and as provided in ESD's Procurement Guidelines. Based on this analysis of financial and organizational capacity, legal authority to do business in New York, integrity of principals, and past performance on contracts, staff concludes that the proposed contractor is a responsible vendor.

VII. Environmental Review

ESD staff has determined that the proposed contract amendment constitutes a Type II action as defined by New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the proposed contract amendment.

VIII. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of New York State certified minority and women-owned businesses (MWBs) in the performance of ESD contracts. No specific MWBE participation goals shall be required; however, Counsel shall adhere to ESD's Non-discrimination and Equal Employment Opportunity policy.

IX. Requested Action

The Directors are asked to: (i) make a determination of responsibility with respect to Counsel; and (ii) authorize ESD to extend the contract term with Counsel for such legal services as are.

X. Recommendation

Based on the foregoing, I recommend approval of the requested action.

XI. Attachment

Resolutions

February 16, 2023

Bronx (Bronx County) – Bronx Psychiatric Center - Authorization to Amend the Contract with Sive Paget & Riesel, P.C. to Provide Environmental Legal Services in Connection with the Disposition and Redevelopment of a Portion of the Bronx Psychiatric Center (the “Project”) and to Take Related Actions

RESOLVED, that based upon the materials presented at this meeting and ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Sive Paget & Riesel, P.C. (“Counsel”) to be responsible; and be it further

RESOLVED, that on the basis of the Materials, the Corporation be, and hereby is, authorized to amend its existing contract with Counsel to provide additional environmental legal services in connection with the Project; and be it further

RESOLVED, that such amendment will extend the term to December 2023; and be it further

RESOLVED, that the President and Chief Executive Officer and her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

FOR INFORMATION

February 16, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: FY2022-23 Cumulative Quarterly Budget Variance Reports (Third Quarter)

In accordance with applicable law, attached are the FY2022-23 third quarter Empire State Development (“ESD” or the “Corporation”) operating budget variance reports by department, as well as the ESD subsidiary operating and capital reports.

Cumulative total ESD corporate operating expenditures for the nine months ended December 31, 2022 were \$51.8 million, or 48% of the total \$108.1 million budget. This level of spending continues to be attributable to many vacant staff positions (including the associated fringe benefits), as well as non-personal services expenses budgeted for state and federal programs, planned studies, project support and other initiatives that remain in progress, have not yet been initiated or are pending completion. Based on the cumulative spending through the end of the third quarter, it is projected that total fiscal year spending will remain within budget.

Total ESD subsidiary operating expenditures for the nine months ended December 31, 2022, excluding LMDC and HCDC Weatherization, were approximately \$3.4 million, or 60% of the total \$5.7 million budget. This is primarily due to lower spending in both personal and non-personal services expenses. It is anticipated that fiscal year spending will remain within budget. Both LMDC and HCDC’s Weatherization Program expenses are federally funded and reported separately from ESD expenses.

Total ESD subsidiary capital spending for the nine months ended December 31, 2022 was approximately \$67.0 million, or 32% of the total \$208 million capital budget. This variance continues to be mainly attributable to the near completion of two large subsidiary development projects, the Javits Convention Center and Moynihan Station, that are in negotiations of final contractual payments. In addition, several new development projects continue to be in the process of selecting contractors. In general, planned capital work is progressing and fiscal year spending will remain within budget.

Attachments

ESD Departmental Budget Variance Report, December 31, 2022

ESD Subsidiary Operating Budget Summary Variance Report, December 31, 2022

ESD Subsidiary Capital Budget Summary Variance Report, December 31, 2022

Departmental Budget Variance Report
December 31, 2022

	Administrative Services	Chief Financial Office	Connect ALL	Controller	Corporate	Contract Admin	Economic Analysis & Research	Economic Incentives	Executive Office	Global NY
ANNUAL BUDGET										
Personal Services (including fringe benefits)	\$ 634,642	\$ 276,351	\$ 1,075,476	\$ 2,563,893	\$ 18,333,909 (1)	\$ 1,956,940	\$ 229,074	\$ 780,757	\$ 2,959,045	\$ 402,982
Professional Fees/ Consultants/ Agency Temps	-	-	1,350,000	163,100	2,816,800	-	1,000,000	-	-	-
Occupancy Expenses	-	-	-	-	9,769,162	-	-	-	-	-
Other Outside Service	230,000	200	25,000	37,500	260,400	200	50,000	594,000	25,000	100,000
Computers/ Software/ Equipment	-	500	2,500	-	-	-	74,882	-	-	-
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	705,000	-	-	-	-	-
Employee Travel & Meals	500	3,000	15,000	1,000	11,825	3,500	1,000	3,000	120,000	20,000
On-Line Services, Training, Dues & Subscriptions	-	1,500	3,000	500	220,000	-	500	300	4,000	-
Office Supplies and Expense	182,459	-	-	-	36,441	-	-	-	-	-
Total	\$ 1,047,601	\$ 281,551	\$ 2,470,976	\$ 2,765,993	\$ 32,153,537	\$ 1,960,640	\$ 1,355,456	\$ 1,378,057	\$ 3,108,045	\$ 522,982
(1) Represents the Corporation's fringe benefits.										
ACTUAL TO DATE										
Personal Services (including fringe benefits)	\$ 303,630	\$ 156,794	\$ 413,723	\$ 1,701,872	\$ 10,670,513	\$ 1,222,624	\$ 174,521	\$ 551,595	\$ 1,894,315	\$ 285,949
Professional Fees/ Consultants/ Agency Temps	-	-	199,932	161,000	963,306	-	18,900	-	-	-
Occupancy Expenses	-	-	-	-	6,121,928	-	-	-	-	-
Other Outside Service	59,414	-	-	26,886	39,166	-	6,010	43,102	5,150	37
Computers/ Software/ Equipment	-	-	-	-	-	-	25,560	-	-	-
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	469,518	-	-	-	-	-
Employee Travel & Meals	-	-	8,425	36	2,313	3,421	-	-	81,767	12,013
On-Line Services, Training, Dues & Subscriptions	-	-	-	280	4,394	-	-	-	530	-
Office Supplies and Expense	91,778	-	-	-	449	-	-	-	-	-
Total	\$ 454,822	\$ 156,794	\$ 622,080	\$ 1,890,074	\$ 18,271,587	\$ 1,226,045	\$ 224,991	\$ 594,697	\$ 1,981,762	\$ 297,999
Balance Remaining										
Personal Services (including fringe benefits)	\$ 331,012	\$ 119,557	\$ 661,753	\$ 862,021	\$ 7,663,396	\$ 734,316	\$ 54,553	\$ 229,162	\$ 1,064,730	\$ 117,033
Professional Fees/ Consultants/ Agency Temps	-	-	1,150,068	2,100	1,853,494	-	981,100	-	-	-
Occupancy Expenses	-	-	-	-	3,647,234	-	-	-	-	-
Other Outside Service	170,586	200	25,000	10,614	221,234	200	43,990	550,898	19,850	99,963
Computers/ Software/ Equipment	-	500	2,500	-	-	-	49,322	-	-	-
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	235,482	-	-	-	-	-
Employee Travel & Meals	500	3,000	6,575	964	9,512	79	1,000	3,000	38,233	7,987
On-Line Services, Training, Dues & Subscriptions	-	1,500	3,000	220	215,606	-	500	300	3,470	-
Office Supplies and Expense	90,681	-	-	-	35,992	-	-	-	-	-
Total	\$ 592,779	\$ 124,757	\$ 1,848,896	\$ 875,919	\$ 13,881,950	\$ 734,595	\$ 1,130,465	\$ 783,360	\$ 1,126,283	\$ 224,983
OVERVIEW										
Annual Budget	\$ 1,047,601	\$ 281,551	\$ 2,470,976	\$ 2,765,993	\$ 32,153,537	\$ 1,960,640	\$ 1,355,456	\$ 1,378,057	\$ 3,108,045	\$ 522,982
Actual to Date	\$ 454,822	\$ 156,794	\$ 622,080	\$ 1,890,074	\$ 18,271,587	\$ 1,226,045	\$ 224,991	\$ 594,697	\$ 1,981,762	\$ 297,999
Balance Remaining	\$ 592,779	\$ 124,757	\$ 1,848,896	\$ 875,919	\$ 13,881,950	\$ 734,595	\$ 1,130,465	\$ 783,360	\$ 1,126,283	\$ 224,983
% of Annual Budget Used	43%	56%	25%	68%	57%	63%	17%	43%	64%	57%

**Departmental Budget Variance Report
December 31, 2022**

	Human Resources	Information Technology	Internal Audit	Intergovern- mental/ Legislative Affairs	Legal	Life Sciences	Loans & Grants	Marketing	Minority Women & Business Division	Motion Pictures & TV	NYSTAR
ANNUAL BUDGET											
Personal Services (including fringe benefits)	\$ 1,019,035	\$ 3,045,872	\$ 563,726	\$ 615,257	\$ 7,039,595	\$ 856,206	\$ 3,536,699	\$ 2,599,359	\$ 1,111,358	\$ 574,280	\$ 1,318,969
Professional Fees/ Consultants/ Agency Temps	-	-	-	-	890,000	-	-	-	10,870,904	500,000	250,000
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-
Other Outside Service	55,000	22,500	-	500	21,000	50,000	500	15,000	236,000	300	65,000
Computers/ Software/ Equipment	7,500	821,590	-	-	-	2,000	-	-	-	-	6,500
Telephone/ Internet	-	759,000	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-
Employee Travel & Meals	3,000	18,000	1,225	5,500	10,000	5,000	4,000	42,500	10,000	10,000	20,000
On-Line Services, Training, Dues & Subscriptions	5,500	3,000	1,200	500	100,000	2,500	-	3,000	3,000	-	2,500
Office Supplies and Expense	-	-	-	-	1,500	2,000	-	1,000	1,500	-	1,200
Total	\$ 1,090,035	\$ 4,669,962	\$ 566,151	\$ 621,757	\$ 8,062,095	\$ 917,706	\$ 3,541,199	\$ 2,660,859	\$ 12,232,762	\$ 1,084,580	\$ 1,664,169
ACTUAL TO DATE											
Personal Services (including fringe benefits)	\$ 595,851	\$ 1,784,436	\$ 334,359	\$ 388,542	\$ 2,448,047	\$ 374,642	\$ 1,494,286	\$ 1,468,833	\$ 696,200	\$ 388,288	\$ 481,834
Professional Fees/ Consultants/ Agency Temps	-	-	-	-	107,795	-	-	-	929,819	-	205,000
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-
Other Outside Service	30,560	7,908	-	140	12,233	-	-	199	119,813	-	4,735
Computers/ Software/ Equipment	-	639,803	-	-	-	-	-	-	-	-	-
Telephone/ Internet	-	419,921	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-
Employee Travel & Meals	-	1,501	-	5,462	4,653	-	2,140	21,381	9,317	784	1,968
On-Line Services, Training, Dues & Subscriptions	797	-	204	-	94,822	-	-	-	384	-	-
Office Supplies and Expense	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 627,208	\$ 2,853,569	\$ 334,563	\$ 394,144	\$ 2,667,550	\$ 374,642	\$ 1,496,426	\$ 1,490,413	\$ 1,755,533	\$ 389,072	\$ 693,537
Balance Remaining											
Personal Services (including fringe benefits)	\$ 423,184	\$ 1,261,436	\$ 229,367	\$ 226,715	\$ 4,591,548	\$ 481,564	\$ 2,042,413	\$ 1,130,526	\$ 415,158	\$ 185,992	\$ 837,135
Professional Fees/ Consultants/ Agency Temps	-	-	-	-	782,205	-	-	-	9,941,085	500,000	45,000
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-
Other Outside Service	24,440	14,592	-	360	8,767	50,000	500	14,801	116,187	300	60,265
Computers/ Software/ Equipment	7,500	181,787	-	-	-	2,000	-	-	-	-	6,500
Telephone/ Internet	-	339,079	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-
Employee Travel & Meals	3,000	16,499	1,225	38	5,347	5,000	1,860	21,119	683	9,216	18,032
On-Line Services, Training, Dues & Subscriptions	4,703	3,000	996	500	5,178	2,500	-	3,000	2,616	-	2,500
Office Supplies and Expense	-	-	-	-	1,500	2,000	-	1,000	1,500	-	1,200
Total	\$ 462,827	\$ 1,816,393	\$ 231,588	\$ 227,613	\$ 5,394,545	\$ 543,064	\$ 2,044,773	\$ 1,170,446	\$ 10,477,229	\$ 695,508	\$ 970,632
OVERVIEW											
Annual Budget	\$ 1,090,035	\$ 4,669,962	\$ 566,151	\$ 621,757	\$ 8,062,095	\$ 917,706	\$ 3,541,199	\$ 2,660,859	\$ 12,232,762	\$ 1,084,580	\$ 1,664,169
Actual to Date	\$ 627,208	\$ 2,853,569	\$ 334,563	\$ 394,144	\$ 2,667,550	\$ 374,642	\$ 1,496,426	\$ 1,490,413	\$ 1,755,533	\$ 389,072	\$ 693,537
Balance Remaining	\$ 462,827	\$ 1,816,393	\$ 231,588	\$ 227,613	\$ 5,394,545	\$ 543,064	\$ 2,044,773	\$ 1,170,446	\$ 10,477,229	\$ 695,508	\$ 970,632
% of Annual Budget Used	58%	61%	59%	63%	33%	41%	42%	56%	14%	36%	42%

Departmental Budget Variance Report
December 31, 2022

	Portfolio Management & Project Finance	Public Affairs	Real Estate Development & Planning	Regional Councils	Regional Offices- Capital District	Regional Offices - Central NY	Regional Offices - Finger Lakes	Regional Offices - Long Island	Regional Offices - Mid Hudson	Regional Offices- Mohawk Valley
ANNUAL BUDGET										
Personal Services (including fringe benefits)	\$ 910,963	\$ 1,159,959	\$ 2,260,784	\$ 1,585,973	\$ 209,675	\$ 162,790	\$ 231,432	\$ 287,635	\$ 456,707	\$ 227,864
Professional Fees/ Consultants/ Agency Temps	-	-	3,000,000	-	-	-	-	-	-	-
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-
Other Outside Service	12,000	2,500	10,000	135,000	-	1,000	-	300	500	750
Computers/ Software/ Equipment	-	-	-	-	-	-	-	-	-	-
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Employee Travel & Meals	5,000	10,000	5,000	7,500	2,000	3,500	500	3,000	5,000	1,500
On-Line Services, Training, Dues & Subscriptions	800	2,100	1,000	-	-	-	-	-	500	200
Office Supplies and Expense	-	-	-	3,000	1,750	-	250	-	-	-
Total	\$ 928,763	\$ 1,174,559	\$ 5,276,784	\$ 1,731,473	\$ 213,425	\$ 167,290	\$ 232,182	\$ 290,935	\$ 462,707	\$ 230,314
ACTUAL TO DATE										
Personal Services (including fringe benefits)	\$ 528,154	\$ 822,684	\$ 1,212,558	\$ 1,132,015	\$ 157,420	\$ 124,620	\$ 153,941	\$ 219,961	\$ 299,902	\$ 174,436
Professional Fees/ Consultants/ Agency Temps	-	-	1,457,763	-	-	-	-	-	-	-
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-
Other Outside Service	-	-	-	8,739	-	-	-	-	-	549
Computers/ Software/ Equipment	-	-	-	-	-	-	-	-	-	-
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Employee Travel & Meals	-	3,095	4,856	2,083	6	469	500	743	1,091	817
On-Line Services, Training, Dues & Subscriptions	-	66	240	-	-	-	-	-	350	175
Office Supplies and Expense	-	-	-	-	-	-	-	-	-	-
Total	\$ 528,154	\$ 825,845	\$ 2,675,417	\$ 1,142,837	\$ 157,426	\$ 125,089	\$ 154,441	\$ 220,704	\$ 301,343	\$ 175,977
Balance Remaining										
Personal Services (including fringe benefits)	\$ 382,809	\$ 337,275	\$ 1,048,226	\$ 453,958	\$ 52,255	\$ 38,170	\$ 77,491	\$ 67,674	\$ 156,805	\$ 53,428
Professional Fees/ Consultants/ Agency Temps	-	-	1,542,237	-	-	-	-	-	-	-
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-
Other Outside Service	12,000	2,500	10,000	126,261	-	1,000	-	300	500	201
Computers/ Software/ Equipment	-	-	-	-	-	-	-	-	-	-
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Employee Travel & Meals	5,000	6,905	144	5,417	1,994	3,031	-	2,257	3,909	683
On-Line Services, Training, Dues & Subscriptions	800	2,034	760	-	-	-	-	-	150	25
Office Supplies and Expense	-	-	-	3,000	1,750	-	250	-	-	-
Total	\$ 400,609	\$ 348,714	\$ 2,601,367	\$ 588,636	\$ 55,999	\$ 42,201	\$ 77,741	\$ 70,231	\$ 161,364	\$ 54,337
OVERVIEW										
Annual Budget	\$ 928,763	\$ 1,174,559	\$ 5,276,784	\$ 1,731,473	\$ 213,425	\$ 167,290	\$ 232,182	\$ 290,935	\$ 462,707	\$ 230,314
Actual to Date	\$ 528,154	\$ 825,845	\$ 2,675,417	\$ 1,142,837	\$ 157,426	\$ 125,089	\$ 154,441	\$ 220,704	\$ 301,343	\$ 175,977
Balance Remaining	\$ 400,609	\$ 348,714	\$ 2,601,367	\$ 588,636	\$ 55,999	\$ 42,201	\$ 77,741	\$ 70,231	\$ 161,364	\$ 54,337
% of Annual Budget Used	57%	70%	51%	66%	74%	75%	67%	76%	65%	76%

**Departmental Budget Variance Report
December 31, 2022**

	Regional Offices- North	Regional Offices- Country New York City	Regional Offices- Southern Tier	Regional Offices- Western NY	Small Business & Tech Development	Strategic Business Development	Technology & New Media	Trade & Tourism Puerto Rico	Treasury	Workforce Development	Total of Departments
ANNUAL BUDGET											
Personal Services (including fringe benefits)	\$ 262,378	\$ 351,590	\$ 434,551	\$ 1,334,128	\$ 2,627,955	\$ 1,172,850	\$ 403,672	\$ 308,822	\$ 890,424	\$ 1,551,730	\$ 68,325,307
Professional Fees/ Consultants/ Agency Temps	-	-	-	-	1,775,000	-	-	10,000	-	700,000	23,325,804
Occupancy Expenses	-	-	-	-	-	-	-	66,288	-	-	9,835,450
Other Outside Service	-	-	-	2,000	50,000	1,000	300	3,642	-	-	2,007,092
Computers/ Software/ Equipment	-	-	-	-	470,000	-	-	-	-	260,000	1,645,472
Telephone/ Internet	-	-	-	-	-	-	-	1,000	-	-	760,000
Insurance	-	-	-	-	-	-	-	8,000	-	-	713,000
Employee Travel & Meals	5,000	2,750	3,000	10,000	100,000	20,000	15,000	15,000	2,000	100,000	623,800
On-Line Services, Training, Dues & Subscriptions	100	450	300	1,000	170,000	2,000	-	8,320	30,000	-	567,770
Office Supplies and Expense	-	1,000	-	2,000	30,000	-	-	3,500	-	-	267,600
Total	\$ 267,478	\$ 355,790	\$ 437,851	\$ 1,349,128	\$ 5,222,955	\$ 1,195,850	\$ 418,972	\$ 424,572	\$ 922,424	\$ 2,611,730	\$ 108,071,295
ACTUAL TO DATE											
Personal Services (including fringe benefits)	\$ 201,441	\$ 241,784	\$ 161,810	\$ 863,666	\$ 1,277,097	\$ 837,366	\$ 239,173	\$ 185,010	\$ 615,603	\$ 122,358	\$ 37,401,853
Professional Fees/ Consultants/ Agency Temps	-	-	-	-	-	-	-	8,044	-	1,804,447	5,856,006
Occupancy Expenses	-	-	-	-	-	-	-	44,991	-	-	6,166,919
Other Outside Service	-	-	-	1,607	45,128	78	78	3,345	-	-	414,877
Computers/ Software/ Equipment	-	-	-	-	-	-	-	-	-	-	665,363
Telephone/ Internet	-	-	-	-	-	-	-	-	-	-	419,921
Insurance	-	-	-	-	-	-	-	-	-	-	469,518
Employee Travel & Meals	2,327	263	37	6,368	13,293	19,746	4,177	934	-	1,251	217,237
On-Line Services, Training, Dues & Subscriptions	-	240	-	697	-	-	-	2,470	22,095	-	127,744
Office Supplies and Expense	-	-	-	-	-	-	-	2,184	-	-	94,411
Total	\$ 203,768	\$ 242,287	\$ 161,847	\$ 872,338	\$ 1,335,518	\$ 857,190	\$ 243,428	\$ 246,978	\$ 637,698	\$ 1,928,056	\$ 51,833,849
Balance Remaining											
Personal Services (including fringe benefits)	\$ 60,937	\$ 109,806	\$ 272,741	\$ 470,462	\$ 1,350,858	\$ 335,484	\$ 164,499	\$ 123,812	\$ 274,821	\$ 1,429,372	\$ 29,494,082
Professional Fees/ Consultants/ Agency Temps	-	-	-	-	1,775,000	-	-	1,956	-	(1,104,447)	18,574,245
Occupancy Expenses	-	-	-	-	-	-	-	21,297	-	-	3,668,531
Other Outside Service	-	-	-	393	4,872	922	222	297	-	-	1,592,215
Computers/ Software/ Equipment	-	-	-	-	470,000	-	-	-	-	260,000	720,109
Telephone/ Internet	-	-	-	-	-	-	-	1,000	-	-	340,079
Insurance	-	-	-	-	-	-	-	8,000	-	-	243,482
Employee Travel & Meals	2,673	2,487	2,963	3,632	86,707	254	10,823	14,066	2,000	98,749	307,814
On-Line Services, Training, Dues & Subscriptions	100	210	300	303	170,000	2,000	-	5,850	7,905	-	440,026
Office Supplies and Expense	-	1,000	-	2,000	30,000	-	-	1,316	-	-	173,189
Total	\$ 63,710	\$ 113,503	\$ 276,004	\$ 476,790	\$ 3,887,437	\$ 338,660	\$ 175,544	\$ 177,594	\$ 284,726	\$ 683,674	\$ 55,553,772
OVERVIEW											
Annual Budget	\$ 267,478	\$ 355,790	\$ 437,851	\$ 1,349,128	\$ 5,222,955	\$ 1,195,850	\$ 418,972	\$ 424,572	\$ 922,424	\$ 2,611,730	\$ 108,071,295
Actual to Date	\$ 203,768	\$ 242,287	\$ 161,847	\$ 872,338	\$ 1,335,518	\$ 857,190	\$ 243,428	\$ 246,978	\$ 637,698	\$ 1,928,056	\$ 51,833,849
Balance Remaining	\$ 63,710	\$ 113,503	\$ 276,004	\$ 476,790	\$ 3,887,437	\$ 338,660	\$ 175,544	\$ 177,594	\$ 284,726	\$ 683,674	\$ 56,237,446
% of Annual Budget Used	76%	68%	37%	65%	26%	72%	58%	58%	69%	74%	48%

Subsidiary Operating Budget Summary Variance Report
December 31, 2022

	Atlantic Yards Community Development Corporation	Convention Center Development Corporation	Empire State New Market Corporation	Erie Canal Harbor Development Corporation	New York Empowerment Zone Corporation	Harlem Community Development Corporation	Moynihan Station Development Corporation	Queens West Development Corporation	USA Niagara Development Corporation	Total	Harlem Community Development Weatherization	Lower Manhattan Development Corporation
ANNUAL BUDGET												
Personal Services (incl. Benefits)	\$211,953	\$331,138	\$0	\$1,081,833	\$384,954	\$925,049	\$715,415	\$76,890	\$551,142	\$4,278,374	\$710,680	\$572,171
Occupancy Expenses	12,250	25,000	0	75,000	0	11,000	0	15,000	69,300	207,550	0	108,500
Repairs / Maint / Prop Mgmt / Other Outside Serv / Expenses	5,797	11,000	1,250	35,000	1,000	25,000	10,000	0	2,500	91,547	1,278,812	4,000
Computers, Software & Equipment	0	0	0	0	0	10,000	5,000	0	4,000	19,000	5,000	25,000
Telephone/Fax/Internet	0	3,000	1,000	4,000	500	11,500	35,000	400	5,000	60,400	4,500	20,000
Legal / Accounting Fees	0	50,000	100,000	2,500	25,000	62,500	0	1,000	250	241,250	15,000	10,000
Consulting Fees	0	100,000	300,000	0	0	65,000	10,000	0	0	475,000	0	5,500
Office Supplies / Printing / Advertising	0	3,000	0	4,800	100	30,000	10,000	0	500	48,400	12,000	17,250
Insurance	20,000	25,000	11,000	114,000	9,500	40,500	24,000	7,500	40,000	291,500	40,500	0
Travel & Meals	0	3,000	4,000	4,000	1,000	3,000	5,000	0	500	20,500	1,000	0
On-Line Services, Dues & Subscriptions	0	500	3,500	1,500	0	2,000	0	0	1,500	9,000	900	0
Total	\$250,000	\$551,638	\$420,750	\$1,322,633	\$422,054	\$1,185,549	\$814,415	\$100,790	\$674,692	\$5,742,521	\$2,068,392	\$762,421
ACTUAL SPENDING TO DATE												
Personal Services (incl. Benefits)	\$142,614	\$255,446	\$0	\$713,813	\$245,930	\$637,163	\$403,057	\$53,345	\$350,541	\$2,801,908	\$470,116	\$425,619
Occupancy Expenses	7,674	7,721	0	49,347	0	0	0	7,674	51,975	124,392	0	71,400
Repairs/Maint/Prop Mgmt/Other Outside Serv/Expenses	0	0	100	1,486	0	4,126	0	0	2,038	7,750	20,684	3,574
Computers, Software & Equipment	0	0	0	0	0	0	0	0	2,492	2,492	0	8,758
Telephone/Fax/Internet	0	0	0	1,398	0	4,041	882	0	658	6,979	4,125	2,282
Legal / Accounting Fees	0	23,000	19,107	0	25,000	14,550	0	0	149	81,806	13,000	40,000
Consulting Fees	0	0	190,230	0	0	0	3,688	0	0	193,918	0	5,200
Office Supplies / Printing / Advertising	0	0	0	1,491	0	328	0	0	124	1,943	4,078	0
Insurance	7,948	7,415	5,287	74,269	3,702	29,328	22,464	4,254	39,424	194,092	28,743	0
Travel & Meals	0	0	0	553	418	2,788	0	0	419	4,178	0	0
On-Line Services, Dues & Subscriptions	0	0	0	253	0	0	0	0	1,306	1,559	350	0
Total	\$158,236	\$293,582	\$214,723	\$842,609	\$275,050	\$692,325	\$430,091	\$65,273	\$449,126	\$3,421,015	\$541,096	\$556,833
BALANCE REMAINING												
Personal Services (incl. Benefits)	\$69,339	\$75,692	\$0	\$368,020	\$139,024	\$287,886	\$312,358	\$23,545	\$200,601	\$1,476,466	\$240,564	\$146,552
Occupancy Expenses	4,576	17,279	0	25,653	0	11,000	0	7,326	17,325	83,158	0	37,100
Repairs/Maint/Prop Mgmt/Other Outside Serv/Expenses	5,797	11,000	1,150	33,514	1,000	20,874	10,000	0	462	83,797	1,258,128	426
Computers, Software & Equipment	0	0	0	0	0	10,000	5,000	0	1,508	16,508	5,000	16,242
Telephone/Fax/Internet	0	3,000	1,000	2,602	500	7,459	34,118	400	4,342	53,421	375	17,718
Legal / Accounting Fees	0	27,000	80,893	2,500	0	47,950	0	1,000	101	159,444	2,000	(30,000)
Consulting Fees	0	100,000	109,770	0	0	65,000	6,312	0	0	281,082	0	300
Office Supplies / Printing / Advertising	0	3,000	0	3,309	100	29,672	10,000	0	376	46,457	7,922	17,250
Insurance	12,052	17,585	5,713	39,731	5,798	11,172	1,536	3,246	576	97,408	11,757	0
Travel & Meals	0	3,000	4,000	3,447	582	212	5,000	0	81	16,322	1,000	0
On-Line Services, Dues & Subscriptions	0	500	3,500	1,248	0	2,000	0	0	194	7,442	550	0
Total	\$91,764	\$258,056	\$206,027	\$480,024	\$147,004	\$493,224	\$384,324	\$35,517	\$225,566	\$2,321,506	\$1,527,296	\$205,588
OVERVIEW												
Annual Budget	\$250,000	\$551,638	\$420,750	\$1,322,633	\$422,054	\$1,185,549	\$814,415	\$100,790	\$674,692	\$5,742,521	\$2,068,392	\$762,421
Actual to Date	\$158,236	\$293,582	\$214,723	\$842,609	\$275,050	\$692,325	\$430,091	\$65,273	\$449,126	\$3,421,015	\$541,096	\$556,833
Balance Remaining	\$91,764	\$258,056	\$206,027	\$480,024	\$147,004	\$493,224	\$384,324	\$35,517	\$225,566	\$2,321,506	\$1,527,296	\$205,588
% of Annual Budget Used	63.29%	53.22%	51.03%	63.71%	65.17%	58.40%	52.81%	64.76%	66.57%	59.57%	26.16%	73.03%

**Subsidiary Capital Budget Summary Variance Report
December 31, 2022**

	Convention Center Development Corporation	Erie Canal Harbor Development Corporation	Harlem Community Development Corporation	Moynihan Station Development Corporation	Queens West Development Corporation	USA Niagara Development Corporation	Total All Subsidiaries
ANNUAL BUDGET							
Acquisition Costs	\$0	\$225,000	\$0	\$0	\$0	\$0	\$225,000
Design & Other Soft Costs	2,000,000	6,681,788	0	858,880	0	3,732,245	13,272,913
Legal Costs	1,000,000	320,000	250,000	198,000	40,000	55,920	1,863,920
Property Management/Maintenance Costs	2,000,000	3,991,240	0	3,287,900	120,000	1,707,293	11,106,433
Insurance	1,000,000	208,000	0	550,000	0	384,000	2,142,000
Demolition & Site Clearance	0	0	0	0	0	5,500,000	5,500,000
Construction Costs	42,883,269	39,453,336	2,000,000	27,006,600	1,350,000	50,219,302	162,912,507
Other Misc. Costs	1,000,000	600,000	0	550,000	0	8,646,000	10,796,000
Total	\$49,883,269	\$51,479,364	\$2,250,000	\$32,451,380	\$1,510,000	\$70,244,760	\$207,818,773
ACTUAL SPENDING TO DATE							
Acquisition Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design & Other Soft Costs	1,175,472	1,081,381	0	265,159	0	564,741	3,086,753
Legal Costs	162,468	54,033	72,586	119,937	0	0	409,023
Property Management/Maintenance Costs	1,747,766	1,037,084	0	2,133,088	67,626	1,363,790	6,349,354
Insurance	0	153,793	0	266,675	0	105,949	526,417
Demolition & Site Clearance	0	0	0	0	0	0	0
Construction Costs	42,189,725	7,124,076	0	6,793,854	0	54,281	56,161,936
Other Misc. Costs	0	203,545	0	251,028	0	16,779	471,352
Total	\$45,275,431	\$9,653,911	\$72,586	\$9,829,741	\$67,626	\$2,105,540	\$67,004,835
BALANCE REMAINING							
Acquisition Costs	\$0	\$225,000	\$0	\$0	\$0	\$0	\$225,000
Design & Other Soft Costs	824,528	5,600,407	0	593,721	0	3,167,504	10,186,160
Legal Costs	837,532	265,967	177,415	78,063	40,000	55,920	1,454,897
Property Management/Maintenance Costs	252,234	2,954,156	0	1,154,812	52,374	343,503	4,757,079
Insurance	1,000,000	54,207	0	283,325	0	278,051	1,615,583
Demolition & Site Clearance	0	0	0	0	0	5,500,000	5,500,000
Construction Costs	693,544	32,329,260	2,000,000	20,212,746	1,350,000	50,165,021	106,750,571
Other Misc. Costs	1,000,000	396,455	0	298,972	0	8,629,221	10,324,648
Total	\$4,607,838	\$41,825,453	\$2,177,415	\$22,621,639	\$1,442,374	\$68,139,220	\$140,813,938
ANNUAL OVERVIEW							
Annual Budget	\$49,883,269	\$51,479,364	\$2,250,000	\$32,451,380	\$1,510,000	\$70,244,760	\$207,818,773
Actual Spending to Date	\$45,275,431	\$9,653,911	\$72,586	\$9,829,741	\$67,626	\$2,105,540	\$67,004,835
Balance Remaining	\$4,607,838	\$41,825,453	\$2,177,415	\$22,621,639	\$1,442,374	\$68,139,220	\$140,813,938
% of Budget Used	90.76%	18.75%	3.23%	30.29%	4.48%	3.00%	32.24%